As filed with the Securities and Exchange Commission on August 19, 2014

Registration No. 333-197097

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 2
to
FORM F-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Affimed Therapeutics B.V.(1)

(Exact Name of Registrant as Specified in Its Charter)

Not Applicable
(Translation of Registrant's name into English)

The Netherlands	**2834**	**NOT APPLICABLE**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Technologiepark, Im Neuenheimer Feld 582
69120 Heidelberg, Germany
(+49) 6221-65307-0
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

National Corporate Research, Ltd.
10 East 40th Street
New York, New York 10016
(212) 947-7200

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Richard D. Truesdell, Jr. **Sophia Hudson** **Davis Polk & Wardwell LLP** **450 Lexington Avenue** **New York, NY 10017**	**Eric W. Blanchard** **Brian K. Rosenzweig** **Covington & Burling LLP** **The New York Times Building** **620 Eighth Avenue** **New York, NY 10018**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to such Section 8(a), may determine.

(1) We intend to convert the legal form of our company under Dutch law from a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid)* to a public company with limited liability (*naamloze vennootschap*) and to change our name from Affimed Therapeutics B.V. to Affimed N.V. prior to the consummation of this offering.

Table of Contents

The information contained in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED AUGUST 19, 2014

PRELIMINARY PROSPECTUS

Shares

Affimed Therapeutics B.V.

Common Shares

We are offering common shares. This is our initial public offering and no public market currently exists for our common shares. We expect our initial public offering price will be between $ and $ per common share.

We have applied to list our common shares on the Nasdaq Global Market under the symbol “AFMD.” We are an “emerging growth company” as defined under the federal securities laws and, as such, will be subject to reduced public company reporting requirements.

Investing in our common shares involves a high degree of risk. See “Risk Factors” beginning on page 10.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	PER COMMON SHARE	TOTAL
Public Offering Price	$	$
Underwriting Discounts and Commissions(1)		
Proceeds to Affimed Therapeutics before expenses		

(1) The underwriters will also be reimbursed for certain expenses incurred in this offering. See “Underwriting” for details.

Delivery of the common shares is expected to be made on or about , 2014. We have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase an additional common shares. If the underwriters exercise their option in full, the total underwriting discounts and commissions payable by us will be $, and the total proceeds to us, before expenses, will be $.

Jefferies **Leerink Partners** **BMO Capital Markets**

Trout Capital

Prospectus dated , 2014.

TABLE OF CONTENTS

We have not authorized anyone to provide any information other than that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we may have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters have not authorized any other person to provide you with different or additional information. Neither we nor the underwriters are making an offer to sell the common shares in any jurisdiction where the offer or sale is not permitted. This offering is being made in the United States and elsewhere solely on the basis of the information contained in this prospectus. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or any sale of the common shares. Our business, financial condition, results of operations and prospects may have changed since the date on the front cover of this prospectus.

For investors outside the United States: Neither we nor the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction, other than the United States, where action for that purpose is required. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of our common shares and the distribution of this prospectus outside the United States.

Through and including , 2014 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

ABOUT THIS PROSPECTUS

Prior to the completion of this offering, we will engage in a corporate reorganization described under “Corporate Reorganization,” pursuant to which Affimed Therapeutics AG will become a wholly owned subsidiary of Affimed Therapeutics B.V., a newly formed holding company, which will not have conducted any operations and will not have had any assets or liabilities, including contingent liabilities, prior to this offering. Immediately prior to the consummation of this offering, we intend to convert Affimed Therapeutics B.V. into Affimed N.V. Unless otherwise indicated or the context otherwise requires, all references in this prospectus to “Affimed Therapeutics AG,” “Affimed Therapeutics B.V.,” “Affimed N.V.,” the “Company,” “we,” “our,” “ours,” “us” or similar terms refer to (i) Affimed Therapeutics AG and its subsidiary prior to the completion of the exchange of all of the equity interests of Affimed Therapeutics AG for newly issued common shares of Affimed Therapeutics B.V., (ii) Affimed Therapeutics B.V. and its subsidiaries as of the completion of the exchange of all of the equity interests of Affimed Therapeutics AG for newly issued common shares of Affimed Therapeutics B.V. and (iii) Affimed N.V. and its subsidiaries after giving effect to the conversion of Affimed Therapeutics B.V. into Affimed N.V., which is expected to occur immediately prior to the consummation of this offering. See “Corporate Reorganization.”

PRESENTATION OF FINANCIAL INFORMATION

We report under International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (the “IASB”). None of the financial statements were prepared in accordance with generally accepted accounting principles in the United States. We present our consolidated financial statements in euros and in accordance with IFRS. We have made rounding adjustments to some of the figures included in this prospectus. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

In this prospectus, translations from U.S. dollars to euros (and vice versa):

- relating to payments made on or before June 30, 2014 were made at the rate in effect at the time of the relevant payment; and
- relating to future payments were made at a rate of $1.37 to €1.00, the official exchange rate quoted as of June 30, 2014 by the European Central Bank.

The terms “$” or “dollar” refer to U.S. dollars, and the terms “€” or “euro” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the treaty establishing the European Community, as amended. Unless otherwise indicated, all references to currency amounts in this prospectus are in euros.

This prospectus contains the historical financial statements and other financial information of Affimed Therapeutics, AG, which is expected to be acquired by Affimed Therapeutics B.V. prior to consummation of this offering. Affimed Therapeutics B.V.’s common shares are being offered hereby. Affimed Therapeutics B.V. is a newly formed holding company formed for the purpose of effecting the offering and has engaged in activities incidental to its formation, the corporate reorganization and the initial public offering of our common shares. Following the transactions described under “Corporate Reorganization” and this offering, the historical financial statements of Affimed Therapeutics B.V. will be retrospectively adjusted to include the historical financial results of Affimed Therapeutics AG for all periods presented.

TRADEMARKS

TandAb® is our registered trademark. The trademarks, trade names and service marks appearing in this prospectus are property of their respective owners.

PROSPECTUS SUMMARY

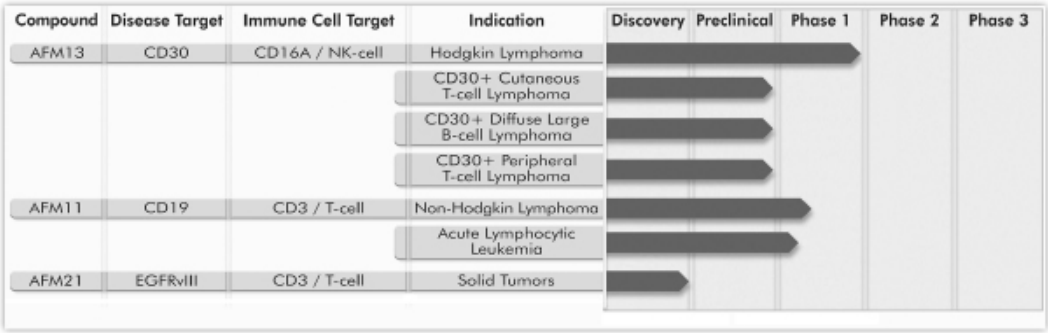
This summary highlights information contained elsewhere in this prospectus. This summary may not contain all the information that may be important to you, and we urge you to read this entire prospectus carefully, including the "Risk Factors," "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections and our consolidated financial statements and notes to those statements, included elsewhere in this prospectus, before deciding to invest in our common shares.

Our Business

We are a clinical-stage biopharmaceutical company focused on discovering and developing highly targeted cancer immunotherapies. Our product candidates are being developed in the field of immuno-oncology, which represents an innovative approach to cancer treatment that seeks to harness the body's own immune defenses to fight tumor cells. The most potent cells of the human defense arsenal are types of white blood cells called Natural Killer cells, or NK-cells, and T-cells. Our proprietary, next-generation bispecific antibodies, which we call TandAbs because of their tandem antibody structure, are designed to direct and establish a bridge between either NK-cells or T-cells and cancer cells. Our TandAbs have the ability to bring NK-cells or T-cells into proximity and trigger a signal cascade that leads to the destruction of cancer cells. Due to their novel tetravalent architecture (which provides for four binding domains), our TandAbs bind to their targets with high affinity and have half-lives that allow intravenous administration. We believe, based on their mechanism of action and the preclinical and clinical data we have generated to date, that our product candidates may ultimately improve response rates, clinical outcomes and survival in cancer patients and could eventually become a cornerstone of modern targeted oncology care.

We have focused our research and development efforts on three proprietary programs for which we retain global commercial rights. Because our TandAbs bind with receptors that are known to be present on a number of types of cancer cells, each of our TandAb product candidates could be developed for the treatment of several different cancers. We intend to initially develop our two clinical stage product candidates in orphan or high-medical need indications, including as a salvage therapy for patients who have relapsed after, or are refractory to, that is who do not respond to treatment with, standard therapies. These patients have a limited life expectancy and few therapeutic options. We believe this strategy will allow for a faster path to approval and will likely require smaller clinical trials compared to indications with more therapeutic options and larger patient populations. We believe such specialized market segments in oncology can be effectively targeted with a small and dedicated marketing and sales team. We currently intend to establish a commercial sales force in the United States and/or Europe to commercialize our product candidates when and if they are approved. We are also conducting research with our collaborator Amphivena Therapeutics, Inc., which Janssen has an option to buy upon IND acceptance by the FDA.

The chart below summarizes our current product candidate pipeline:



Our lead candidate, AFM13, is a first-in-class NK-cell TandAb designed for the treatment of certain CD30-positive (CD30+) B- and T-cell malignancies, including Hodgkin Lymphoma, or HL. AFM13 selectively binds with CD30, a clinically validated target in HL patients, and CD16A, an integral membrane glycoprotein receptor expressed on the surface of NK-cells, triggering a signal cascade that leads to the destruction of tumor cells that carry CD30. We are initially developing AFM13 for HL in the salvage setting for patients who have relapsed after, or are refractory to, Adcetris® (brentuximab vedotin), a CD30-targeted chemotherapy approved by the U.S. Food and Drug Administration, or FDA, in August 2011 as a salvage therapy for HL. Half of the patients treated with Adcetris experience disease progression in less than half a year after initiation of therapy. In a recent phase 1 dose-escalation clinical trial, AFM13 was well-tolerated and demonstrated tumor shrinkage or slowing of tumor growth, with disease control shown in 16 of 26 patients eligible for efficacy evaluation. AFM13 also stopped tumor growth in patients who are refractory to Adcetris. Six out of seven patients who became refractory to Adcetris as the immediate prior therapy experienced stabilization of disease under AFM13 treatment according Cheson's criteria, standard criteria for assessing treatment response in lymphoma. We believe that based on its novel mode of action, AFM13 may be beneficial to patients who have relapsed after or are refractory to treatment with Adcetris and may provide more durable clinical benefit. In the fourth quarter of 2014, we plan to initiate a phase 2a proof of concept trial of AFM13 in HL patients that have received all standard therapies and have relapsed after or are refractory to Adcetris. We expect interim data in the second half of 2015 and final data in the second half of 2016. The Leukemia and Lymphoma Society, or LLS, has agreed to co-fund this phase 2a study, a further indication of the promise this development candidate holds.

Our second clinical stage candidate, AFM11, is a T-cell TandAb designed for the treatment of certain CD19+ B-cell malignancies, including non-Hodgkin Lymphoma, or NHL, Acute Lymphocytic Leukemia, or ALL, and Chronic Lymphocytic Leukemia, or CLL. AFM11 selectively binds with CD19, a clinically validated target in B-cell malignancies. It also binds to CD3, a component of the T-cell receptor complex, triggering a signal cascade that leads to the destruction of tumor cells that carry CD19. Based on its molecular characteristics, in particular its molecular weight, we expect AFM11 will have a longer half-life than blinatumomab, a bispecific antibody also targeted against CD19 and CD3 developed by Amgen. This should allow administration through intravenous infusion over one to four hours, rather than continuous infusion, which requires hospitalization or a portable pump over a six-week period with frequent reconstitution and refill of medication, as is necessary for blinatumomab. In preclinical studies, AFM11 compared to the blinatumomab reference compound also showed a 100-fold higher affinity to the CD3 receptor, resulting in up to 40-fold greater cytotoxic potency at low T-cell counts. We have begun a phase 1 dose ranging study of AFM11 designed to evaluate safety and tolerability and to potentially assess anti-tumor activity after four weeks of therapy in NHL patients, and subsequently in ALL patients. We expect to report top line data from this phase 1 trial in the second half of 2016.

Our third TandAb program, AFM21, is in preclinical development. AFM21 selectively binds Epidermal Growth Factor Receptor variant III, or EGFRvIII, a receptor that appears to be highly specific for solid tumors and is prominent in a significant portion of patients with glioblastoma, hormone refractory prostate cancer and head and neck cancer. AFM21 also binds CD3, directing T-cells to destroy tumor cells that carry EGFRvIII. Through access to our proprietary antibody libraries, we isolated an antibody that binds to EGFRvIII but not to wild-type EGFR, which is also expressed on many healthy tissues. In preclinical studies, AFM21 has demonstrated an ability to selectively kill EGFRvIII-carrying cells and not wild-type EGFR. We plan to initiate IND-enabling studies of AFM21 in 2015.

Our TandAb antibodies are designed to have the following properties:

- bispecific (specific binding to two target receptors) or trispecific (specific binding to three target receptors) targeting;
- binding with high specificity, or selectivity;
- binding with high affinity, or strength;

- molecular weight allowing for intravenous administration over one to four hours; and
- stable structure conducive to efficient and cost-effective manufacturing.

In 2009 we formed AbCheck, our 100% owned, independently run antibody screening platform company. AbCheck is devoted to the generation and optimization of fully human antibodies. Its technologies include a combined phage and yeast display antibody library and a proprietary algorithm to optimize affinity, stability and manufacturing efficiency. In addition to providing candidates for Affimed projects, AbCheck is recognized for its expertise in antibody discovery throughout the United States and Europe and has previously worked with Eli Lilly and currently works with Daiichi Sankyo, Pierre Fabre and others.

In 2013, we entered into a license and development agreement, which amended and restated a 2012 license agreement, with Amphivena Therapeutics, Inc., or Amphivena, based in San Francisco, CA, to develop an undisclosed product candidate for hematologic malignancies in exchange for an interest in Amphivena and certain milestone payments. Amphivena received funding from MPM Capital, Aeris Capital and us. Amphivena has also entered into an agreement with Janssen Biotech, Inc., one of the Janssen Pharmaceutical Companies of Johnson & Johnson, or Janssen, that gives Janssen the option to acquire Amphivena upon predetermined terms following acceptance by the FDA of an IND filing for the product candidate. Affimed has successfully reached its first milestone: the generation of multiple candidate TandAbs with a well-specified target product profile.

Our Strengths

We believe we are a leader in developing cancer immunotherapies due to several factors:

- Our lead product candidate, AFM13, is a first-in-class NK-cell mediated cancer immunotherapy.
- We have a growing pipeline of product candidates focused on key cancer indications.
- We retain global commercial rights for our three candidates in our product pipeline.
- Our experienced management team has a strong track record in the development and commercialization of new medicines.
- We have a strong technology base and solid patent portfolio in the field of targeted immuno-oncology.

Our Strategy

Our goal is to develop and commercialize targeted cancer immunotherapies aimed at improving and extending patients' lives. Key elements of our strategy to achieve this goal are to:

- Rapidly advance the development of our clinical stage product candidates.
- Establish R&D and commercialization capabilities in the United States.
- Use our technology platforms and intellectual property portfolio to continue to build our cancer immunotherapy pipeline.
- Maximize the value of our collaboration arrangements with LLS and Janssen.
- Utilize AbCheck to generate and optimize antibodies.

Affimed was founded in 2000 based on technology developed by the group led by Professor Melvyn Little at Deutsches Krebsforschungszentrum, the German Cancer Research Center, or DKFZ, in Heidelberg. Our offices and laboratories are located at the Technology Park adjacent to the DKFZ in Heidelberg, where we employ 40 personnel, 27 of whom have an advanced academic degree. Including AbCheck personnel, our total headcount is 53. We are led by experienced executives with a track record of successful product development, approvals and launches, specifically of biologics. Our supervisory board includes highly experienced experts from the pharmaceutical and biotech industries, with a specific background in hematology. Affimed has attracted investments from top-tier venture capital firms, including Aeris Capital, BioMedInvest, Life Sciences Partners, the venture capital arm of Novo Nordisk A/S and OrbiMed.

Risks Associated with Our Business

Our business is subject to a number of risks of which you should be aware of before making an investment decision. These risks are discussed more fully in the "Risk Factors" section of this prospectus immediately following this prospectus summary. These risks include the following:

- We are currently a development stage company with limited operating history and a history of operating losses. We anticipate that we will continue to incur losses for the foreseeable future. As of June 30, 2014, our accumulated deficit was €102.0 million. We will need additional funding, and such funding may not be available or could cause substantial dilution to our shareholders.
- Our clinical trials may not be successful, and clinical results may not reflect results seen in previously conducted preclinical studies and clinical trials.
- We rely on contract manufacturers and contract research organizations over which we have limited control.
- We do not have adequate funding to complete development of our product candidates and may be unable to access additional capital on reasonable terms or at all to complete development and begin commercialization of our product candidates.
- Our recurring losses from operations have raised substantial doubt regarding our ability to continue as a going concern, and our independent registered public accounting firm has included an explanatory paragraph in its report on our financial statements as of and for the year ended December 31, 2013 with respect to this uncertainty.
- We depend on the success of AFM13 and AFM11, which are still in clinical development and may eventually prove to be unsuccessful.
- There is uncertainty surrounding whether any of our product candidates will receive regulatory approval, which is necessary before they can be commercialized.
- We use new technologies in the development of our product candidates, and the FDA and other regulatory authorities have not approved products that utilize these technologies; the approval of our product candidates is less certain than approval of drugs that do not employ such novel technologies or methods of action.
- We may become exposed to costly and damaging liability claims resulting from the testing of our product candidates in the clinic or in the commercial stage.
- We may encounter regulatory changes that delay or impede our development and commercialization efforts.
- We may not be able to obtain adequate protection for the intellectual property covering our product candidates or develop and commercialize our product candidates without infringing on the intellectual property rights of third parties.
- Our products may not gain market acceptance, in which case we may not be able to generate product revenues.
- If we fail to maintain our current strategic relationships with the DKFZ; Xoma Ireland Ltd., or Xoma; LLS; Amphivena or Amphivena's other investors and partners, including MPM Capital, Aeris Capital and Janssen, our business, commercialization prospects and financial condition may be materially adversely affected.
- Our future growth and ability to compete depends on retaining our key personnel and recruiting additional qualified personnel.

Corporate Reorganization

We were incorporated pursuant to the laws of the Netherlands as Affimed Therapeutics B.V. in May 2014 to become a holding company for Affimed Therapeutics AG. Pursuant to the terms of a corporate reorganization that will be completed prior to the closing of this offering, all of the interests in Affimed Therapeutics AG will ultimately be exchanged for newly issued common shares of Affimed Therapeutics B.V. and, as a result,

Affimed Therapeutics AG will become a wholly owned subsidiary of Affimed Therapeutics B.V. Immediately prior to the consummation of this offering, we intend to convert from Affimed Therapeutics B.V. into Affimed N.V. Please see “Corporate Reorganization.”

Corporate Information

Our principal executive offices are located at Technologiepark, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany. Our telephone number is (+49) 6221-65307-0. Investors should contact us for any inquiries through the address and telephone number of our principal executive office. Our principal website is *www.affimed.com*. The information contained on our website is not a part of this prospectus.

Implication of Being an “Emerging Growth Company”

We qualify as an “emerging growth company” as defined in the Jumpstart our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. These provisions include:

- a requirement to have only two years of audited financial statements and only two years of related Management’s Discussion and Analysis of Financial Condition and Results of Operations disclosure in its initial registration statement; and
- an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002. See “Management’s Discussion and Analysis—JOBS Act Exemptions.”

We may take advantage of these provisions for up to five years or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company if we have more than $1.0 billion in annual revenue, have more than $700 million in market value of our common shares held by non-affiliates or issue more than $1.0 billion of non-convertible debt over a three-year period. We may choose to take advantage of some but not all of these reduced burdens.

THE OFFERING

Common shares offered by us	common shares
Common shares to be outstanding immediately after the offering	common shares
Offering price	The initial public offering price per common share is expected to be between $ and $.
Listing	We have applied to list our common shares on the Nasdaq Global Market under the symbol "AFMD."
Option to purchase additional shares	We have granted to the underwriters an option, which is exercisable within 30 days from the date of this prospectus, to purchase an aggregate of up to an additional common shares. See "Underwriting" for more information.
Use of proceeds	We estimate that the net proceeds to us from the offering will be approximately $ million, assuming an initial offering price of $ per common share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses. We intend to use the net proceeds from the offering, together with cash and cash equivalents on hand and the proceeds from the first tranche of the Series E Financing, as follows: ▪ approximately $ to fund research and development expenses for AFM13; ▪ approximately $ to fund research and development expenses for AFM11; ▪ approximately $ to fund research and development expenses for AFM21; and ▪ the remainder to fund other research and development activities, for working capital and general corporate purposes. See "Use of Proceeds."
Risk factors	See "Risk Factors" and the other information included in this prospectus for a discussion of factors you should consider before deciding to invest in our common shares.

Unless otherwise indicated, all information contained in this prospectus assumes the completion, prior to the consummation of this offering, of:

- the first tranche of our Series E financing pursuant to which (i) 86,167 Series E preferred shares were issued in July 2014 and (ii) between the pricing and closing of this offering, the adjustment of the purchase price of the Series E preferred shares issued in the first tranche of the Series E Financing, from €95.19 per share to a price per share equal to 80% of the low end of the price range for this offering printed on the cover page of this prospectus (the first tranche of the Series E Financing). See "Related Party Transactions—2014 Series E Financing";
- the borrowing of $5.5 million on July 24, 2014 under the credit facility provided by an affiliate of Perceptive Advisers LLC, or Perceptive, and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing. See "Management's Discussion & Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources— Subsequent Event"; and

- our corporate reorganization pursuant to which all of the equity interests of Affimed Therapeutics AG will be exchanged for newly issued common shares of Affimed Therapeutics B.V. and Affimed Therapeutics B.V. will convert into Affimed N.V. See “Corporate Reorganization.”

Unless otherwise stated, in this prospectus the number of our common shares to be outstanding after this offering gives effect to the first tranche of the Series E Financing and the corporate reorganization and includes common shares to be issued and sold by us in this offering and excludes of our common shares issuable upon the exercise of options outstanding as of June 30, 2014, giving effect to the corporate reorganization, at a weighted average exercise price of $ per common share (€ per common share) and common shares covered by awards available for issuance under our equity incentive plan to be adopted in conjunction with the consummation of this offering.

Unless otherwise indicated, all information contained in this prospectus also reflects and assumes:

- no exercise of the options described above;
- no exercise of the warrants to be issued to Perceptive following the closing of this offering as described above;
- an initial public offering price of $ per common share, which is the midpoint of the price range set forth on the cover page of this prospectus; and
- no exercise of the option granted to the underwriters to purchase up to additional common shares in connection with the offering.

SUMMARY CONSOLIDATED HISTORICAL AND OTHER FINANCIAL INFORMATION

The following summary consolidated historical and other financial information of Affimed Therapeutics AG should be read in conjunction with the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Affimed Therapeutics AG's consolidated financial statements, including the notes thereto, included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future.

The summary consolidated statement of financial position data as of December 31, 2012 and 2013 and comprehensive loss data (except for the unaudited pro forma loss per share and pro forma as adjusted information) for each of the years then ended are derived from the consolidated financial statements of Affimed Therapeutics AG included elsewhere in this prospectus, which have been audited by KPMG AG Wirtschaftsprüfungsgesellschaft. The summary consolidated statement of financial position data as of June 30, 2014 and comprehensive loss data (except for the unaudited pro forma loss per share and pro forma as adjusted information) for each of the six-month periods ended June 30, 2013 and 2014 are derived from the unaudited condensed consolidated financial statements of Affimed Therapeutics AG included elsewhere in this prospectus. The unaudited financial statements have been prepared on the same basis as the audited financial statements and, in the opinion of management, reflect all adjustments necessary to state fairly our financial position as of June 30, 2014 and our results of operations for the six months ended June 30, 2013 and 2014. Our historical results for the six months ended June 30, 2014 are not necessarily indicative of results to be expected for a full year or any other interim period.

We maintain our books and records in euros, and we prepare our financial statements under International Financial Reporting Standards, as issued by the International Accounting Standards Board, or the IASB (IFRS).

Affimed Therapeutics B.V. is a newly formed holding company formed for the purpose of effecting the offering and has engaged in activities incidental to its formation, the corporate reorganization and the initial public offering of our common shares. Accordingly, summary financial information for Affimed Therapeutics B.V. is not presented. Affimed Therapeutics B.V.'s financial statement, including the notes thereto, is included elsewhere in this prospectus.

Consolidated Statements of Comprehensive Loss Data

(in thousands of € except for share and per share data)	FOR THE YEARS ENDED DECEMBER 31,		FOR THE SIX MONTHS ENDED JUNE 30,	
	2012	2013	2013	2014
			(unaudited)	
Revenue	**1,173**	**5,087**	**271**	**1,409**
Other income/(expenses)—net	206	610	350	113
Research and development expenses	(8,726)	(14,354)	(6,123)	(3,287)
General and administrative expenses	(3,050)	(7,046)	(2,425)	(351)
Operating loss	**(10,397)**	**(15,703)**	**(7,927)**	**(2,116)**
Finance costs—net	**(3,926)**	**(10,397)**	**(4,074)**	**(204)**
Loss before tax	**(14,323)**	**(26,100)**	**(12,001)**	**(2,320)**
Income taxes	9	1	2	28
Loss for the period	**(14,314)**	**(26,099)**	**(11,999)**	**(2,292)**
Pro forma net loss per share (unaudited)(1)				

(1) The unaudited pro forma net loss per share data gives effect to the share issuances relating to (i) the consummation of the first tranche of the Series E Financing (see "Related Party Transactions—2014 Series E Financing") and (ii) the corporate reorganization (see "Corporate Reorganization") and is based on common shares outstanding immediately prior to the consummation of this offering. The pro forma information is presented for informational purposes only and is not necessarily indicative of what our results would have been had the first tranche of the Series E Financing or the corporate reorganization actually occurred at such date nor is it indicative of our future performance.

Consolidated Statement of Financial Position Data

	AS OF JUNE 30, 2014		
(in thousands of €)	**ACTUAL**	**PRO FORMA(1)**	**PRO FORMA AS ADJUSTED(2)**
Cash and cash equivalents	1,800		
Debt	89,126		
Accumulated deficit	(102,022)		
Equity	(101,515)		

(1) The pro forma balance sheet data gives effect to (i) the consummation of the first tranche of the Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing and (iii) the corporate reorganization.

(2) The unaudited pro forma as adjusted balance sheet data gives effect to (i) the consummation of the first tranche of the Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing, (iii) the corporate reorganization and (iv) the issuance and sale of common shares in this offering by us at an assumed initial public offering price of $ per share, the midpoint of the range set forth on the cover page of this prospectus, and the application of the net proceeds of the offering, after deducting estimated underwriting discounts and commissions and offering expenses payable by us, as set forth under "Use of Proceeds."
Each $1.00 increase (decrease) in the assumed initial public offering price per common share would increase (decrease) our pro forma as adjusted cash and cash equivalents, total equity and total equity and liabilities, assuming that the number of common shares offered by us, as set forth on the cover page of this prospectus, remains the same, by $ million. U.S. dollar amounts have been translated into euros at a rate of $1.37 to €1.00, the exchange rate quoted as of June 30, 2014 by the European Central Bank. The pro forma as adjusted information is presented for informational purposes only and is not necessarily indicative of what our results would have been had these transactions actually occurred at such date nor is it indicative of our future performance.

RISK FACTORS

You should carefully consider the risks and uncertainties described below and the other information in this prospectus before making an investment in our common shares. Our business, financial condition or results of operations could be materially and adversely affected if any of these risks occurs, and as a result, the market price of our common shares could decline and you could lose all or part of your investment. This prospectus also contains forward-looking statements that involve risks and uncertainties. See "Cautionary Statement Regarding Forward-Looking Statements." Our actual results could differ materially and adversely from those anticipated in these forward-looking statements as a result of certain factors.

Risks Related to Our Business and the Development and Commercialization of Our Product Candidates.

All of our product candidates are in preclinical or clinical development. Clinical drug development is expensive, time consuming and uncertain, and we may ultimately not be able to obtain regulatory approvals for the commercialization of some or all of our product candidates.

The research, testing, manufacturing, labeling, approval, selling, marketing and distribution of drug products are subject to extensive regulation by the U.S. Food and Drug Administration, or FDA, the European Medicines Agency, or EMA, national competent authorities in Europe, including the Paul-Ehrlich-Institut, or PEI, and other non-U.S. regulatory authorities, which establish regulations that differ from country to country. We are not permitted to market our product candidates in the United States or in other countries until we receive approval of a Biologics License Application, or BLA, from the FDA or marketing approval from applicable regulatory authorities outside the United States. Our product candidates are in various stages of development and are subject to the risks of failure inherent in drug development. We have not submitted an application for or received marketing approval for any of our product candidates. We have limited experience in conducting and managing the clinical trials necessary to obtain regulatory approvals, including approval by the FDA or the European Commission. Obtaining approval of a BLA or a Marketing Authorization Application can be a lengthy, expensive and uncertain process. In addition, failure to comply with FDA, EMA and other non-U.S. regulatory requirements may, either before or after product approval, if any, subject our company to administrative or judicially imposed sanctions, including:

- restrictions on our ability to conduct clinical trials, including full or partial clinical holds, or other regulatory objections to, ongoing or planned trials;
- restrictions on the products, manufacturers or manufacturing process;
- warning letters;
- civil and criminal penalties;
- injunctions;
- suspension or withdrawal of regulatory approvals;
- product seizures, detentions or import bans;
- voluntary or mandatory product recalls and publicity requirements;
- total or partial suspension of production;
- imposition of restrictions on operations, including costly new manufacturing requirements; and
- refusal to approve pending BLAs or supplements to approved BLAs in the United States and refusal to approve marketing research approvals in other jurisdictions.

The FDA, the EMA and other non-U.S. regulatory authorities also have substantial discretion in the drug approval process. The number of preclinical studies and clinical trials that will be required for regulatory approval varies depending on the product candidate, the disease or condition that the product candidate is designed to address, and the regulations applicable to any particular drug candidate. Regulatory agencies can delay, limit or deny approval of a product candidate for many reasons, including:

- a product candidate may not be deemed safe or effective;

- the results may not confirm the positive results from earlier preclinical studies or clinical trials;
- regulatory agencies may not find the data from preclinical studies and clinical trials sufficient or well-controlled;
- regulatory agencies might not approve or might require changes to our manufacturing processes or facilities; or
- regulatory agencies may change their approval policies or adopt new regulations.

Any delay in obtaining or failure to obtain required approvals could materially adversely affect our ability to generate revenue from the particular product candidate, which likely would result in significant harm to our financial position and adversely impact our share price. Furthermore, any regulatory approval to market a product may be subject to limitations on the indicated uses for which we may market the product. These limitations may limit the size of the market for the product.

We have no history of conducting large-scale or pivotal clinical trials or commercializing pharmaceutical products, which may make it difficult to evaluate the prospects for our future viability.

Our operations to date have been limited to financing and staffing our company, developing our technology and developing AFM13, AFM11 and our other product candidates. We have not yet demonstrated an ability successfully to complete a large-scale or pivotal clinical trial, obtain marketing approval, manufacture a commercial scale product or conduct sales and marketing activities necessary for successful product commercialization. Consequently, predictions about our future success or viability may not be as accurate as they could be if we had a history of successfully developing and commercializing pharmaceutical products.

If clinical trials for our product candidates are prolonged, delayed or stopped, we may be unable to obtain regulatory approval and commercialize our product candidates on a timely basis, which would require us to incur additional costs and delay our receipt of any product revenue.

We anticipate commencing a phase 2a clinical trial of AFM13 in patients with Hodgkin Lymphoma (HL) in the fourth quarter of 2014 and receiving final data for this trial in the second half of 2016. We would not expect to commence a registration clinical trial of AFM13 until 2017 at the earliest. We have initiated a phase 1 clinical trial of AFM11 in patients with non-Hodgkin Lymphoma (NHL) that we expect to complete by the end of 2016. The commencement of these planned clinical trials could be substantially delayed or prevented by several factors, including:

- further discussions with the FDA, the EMA, the PEI or other regulatory agencies regarding the scope or design of our clinical trials;
- the limited number of, and competition for, suitable sites to conduct our clinical trials, many of which may already be engaged in other clinical trial programs, including some that may be for the same indication as our product candidates;
- any delay or failure to obtain regulatory approval or agreement to commence a clinical trial in any of the countries where enrollment is planned;
- inability to obtain sufficient funds required for a clinical trial;
- clinical holds on, or other regulatory objections to, a new or ongoing clinical trial;
- delay or failure in the testing, validation, manufacture and delivery of sufficient supplies of the product candidate for our clinical trials;
- delay or failure to reach agreement on acceptable clinical trial agreement terms or clinical trial protocols with prospective sites or clinical research organizations, or CROs, the terms of which can be subject to extensive negotiation and may vary significantly among different sites or CROs; and
- delay or failure to obtain institutional review board, or IRB, or ethics committee approval to conduct a clinical trial at a prospective site.

The completion of our clinical trials could also be substantially delayed or prevented by several factors, including:

- slower than expected rates of patient recruitment and enrollment;
- failure of patients to complete the clinical trial or return for post-treatment follow-up;
- unforeseen safety issues, including severe or unexpected drug-related adverse effects experienced by patients, including possible deaths;
- lack of efficacy during clinical trials;
- termination of our clinical trials by one or more clinical trial sites;
- inability or unwillingness of patients or clinical investigators to follow our clinical trial protocols;
- inability to monitor patients adequately during or after treatment by us and/or our CROs; and
- the need to repeat or terminate clinical trials as a result of inconclusive or negative results or unforeseen complications in testing.

Changes in regulatory requirements and guidance may also occur and we may need to significantly amend clinical trial protocols or submit new clinical trial protocols to reflect these changes with appropriate regulatory authorities. Amendments may require us to renegotiate terms with CROs or resubmit clinical trial protocols to IRBs or ethics committees for re-examination, which may impact the costs, timing or successful completion of a clinical trial. Our clinical trials may be suspended or terminated at any time by the FDA, the PEI, other regulatory authorities, the IRB or ethics committee overseeing the clinical trial at issue, any of our clinical trial sites with respect to that site, or us, due to a number of factors, including:

- failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols;
- unforeseen safety issues or any determination that a clinical trial presents unacceptable health risks;
- lack of adequate funding to continue the clinical trial due to unforeseen costs or other business decisions; and
- upon a breach or pursuant to the terms of any agreement with, or for any other reason by, current or future collaborators that have responsibility for the clinical development of any of our product candidates.

Any failure or significant delay in completing clinical trials for our product candidates would adversely affect our ability to obtain regulatory approval and our commercial prospects and ability to generate product revenue will be diminished.

The results of previous clinical trials may not be predictive of future results, our progress in trials for one product candidate may not be indicative of progress in trials for other product candidates and the results of our current and planned clinical trials may not satisfy the requirements of the FDA, the EMA or other non-U.S. regulatory authorities.

We currently have no products approved for sale and we cannot guarantee that we will ever have marketable products. Clinical failure can occur at any stage of clinical development. Clinical trials may produce negative or inconclusive results, and we or any of our current and future collaborators may decide, or regulators may require us, to conduct additional clinical or preclinical testing. We will be required to demonstrate with substantial evidence through well-controlled clinical trials that our product candidates are safe and effective for use in a diverse population before we can seek regulatory approvals for their commercial sale. Success in early clinical trials does not mean that future larger registration clinical trials will be successful because product candidates in later-stage clinical trials may fail to demonstrate sufficient safety and efficacy to the satisfaction of the FDA and non-U.S. regulatory authorities despite having progressed through initial clinical trials. Product candidates that have shown promising results in early clinical trials may still suffer significant setbacks in subsequent registration clinical trials. Similarly, the outcome of preclinical testing and early clinical trials may not be predictive of the success of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. Progress in trials of one product candidate does not indicate that we will make similar progress in additional trials for that product candidate or in trials for our other product

candidates. A number of companies in the pharmaceutical industry, including those with greater resources and experience than us, have suffered significant setbacks in advanced clinical trials, even after obtaining promising results in earlier clinical trials.

In addition, the design of a clinical trial can determine whether its results will support approval of a product and flaws in the design of a clinical trial may not become apparent until the clinical trial is well advanced. We may be unable to design and execute a clinical trial to support regulatory approval.

In some instances, there can be significant variability in safety and/or efficacy results between different trials of the same product candidate due to numerous factors, including changes in trial protocols, differences in size and type of the patient populations, adherence to the dosing regimen and other trial protocols and the rate of dropout among clinical trial participants. We do not know whether any phase 2, phase 3 or other clinical trials we or any of our collaborators may conduct will demonstrate consistent or adequate efficacy and safety to obtain regulatory approval to market our product candidates.

Further, our product candidates may not be approved even if they achieve their primary endpoints in phase 3 clinical trials or registration trials. The FDA, the EMA or other non-U.S. regulatory authorities may disagree with our trial design and our interpretation of data from preclinical studies and clinical trials. For example, the FDA has communicated to us that it may require us to conduct an additional dose-finding trial with respect to AFM13 prior to the entry into pivotal studies, depending on the results of our planned phase 2a trial. In addition, any of these regulatory authorities may change requirements for the approval of a product candidate even after reviewing and providing comments or advice on a protocol for a clinical trial. In addition, any of these regulatory authorities may also approve a product candidate for fewer or more limited indications than we request or may grant approval contingent on the performance of costly post-marketing clinical trials. The FDA, the EMA or other non-U.S. regulatory authorities may not accept the labeling claims that we believe would be necessary or desirable for the successful commercialization of our product candidates.

We use new technologies in the development of our product candidates and the FDA and other regulatory authorities have not approved products that utilize these technologies.

Our product candidates in development are based on new technologies, such as NK-cell TandAbs, T-cell TandAbs and Trispecific Abs. The approval of our product candidates is less certain than approval of drugs that do not employ such novel technologies or methods of action. We intend to work closely with the FDA, the EMA and other regulatory authorities to perform the requisite scientific analyses and evaluation of our methods to obtain regulatory approval for our product candidates. For example, final assays and specifications of our product candidates, in particular regarding cytotoxicity, have yet to be developed, and the FDA, EMA or other regulatory authorities may require additional analyses to evaluate this aspect of our product quality. It is possible that the validation process may take time and resources, require independent third-party analyses or not be accepted by the FDA, the EMA and other regulatory authorities. Delays or failure to obtain regulatory approval of any of the product candidates that we are developing would adversely affect our business.

Even if our product candidates obtain regulatory approval, they will be subject to continual regulatory review.

If marketing authorization is obtained for any of our product candidates, the product will remain subject to continual review and therefore authorization could be subsequently withdrawn or restricted. We will be subject to ongoing obligations and oversight by regulatory authorities, including adverse event reporting requirements, marketing restrictions and, potentially, other post-marketing obligations, all of which may result in significant expense and limit our ability to commercialize such products.

If there are changes in the application of legislation or regulatory policies, or if problems are discovered with a product or our manufacture of a product, or if we or one of our distributors, licensees or co-marketers fails to comply with regulatory requirements, the regulators could take various actions. These include imposing fines on us, imposing restrictions on the product or its manufacture and requiring us to recall or remove the product from the market. The regulators could also suspend or withdraw our marketing authorizations,

requiring us to conduct additional clinical trials, change our product labeling or submit additional applications for marketing authorization. If any of these events occurs, our ability to sell such product may be impaired, and we may incur substantial additional expense to comply with regulatory requirements, which could materially adversely affect our business, financial condition and results of operations.

We may not be successful in our efforts to use and expand our technology platforms to build a pipeline of product candidates.

A key element of our strategy is to use and expand our technology platforms to build a pipeline of product candidates and progress these product candidates through clinical development for the treatment of a variety of different types of diseases. Although our research and development efforts to date have resulted in a pipeline of product candidates directed at various cancers, we may not be able to develop product candidates that are safe and effective. Even if we are successful in continuing to build our pipeline, the potential product candidates that we identify may not be suitable for clinical development, including as a result of being shown to have harmful side effects or other characteristics that indicate that they are unlikely to be products that will receive marketing approval and achieve market acceptance. If we do not continue to successfully develop and begin to commercialize product candidates, we will face difficulty in obtaining product revenues in future periods, which could result in significant harm to our financial position and adversely affect our share price.

Even if we obtain marketing approval of any of our product candidates in a major pharmaceutical market such as the United States or Europe, we may never obtain approval or commercialize our products in other major markets, which would limit our ability to realize their full market potential.

In order to market any products in a country or territory, we must establish and comply with numerous and varying regulatory requirements of such countries or territories regarding safety and efficacy. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory approval in one country does not mean that regulatory approval will be obtained in any other country. Approval procedures vary among countries and can involve additional product testing and validation and additional administrative review periods. Seeking regulatory approvals in all major markets could result in significant delays, difficulties and costs for us and may require additional preclinical studies or clinical trials which would be costly and time consuming. Regulatory requirements can vary widely from country to country and could delay or prevent the introduction of our products in those countries. Satisfying these and other regulatory requirements is costly, time consuming, uncertain and subject to unanticipated delays. In addition, our failure to obtain regulatory approval in any country may delay or have negative effects on the process for regulatory approval in other countries. We do not have any product candidates approved for sale in any jurisdiction, including international markets, and we do not have experience in obtaining regulatory approval in international markets. If we fail to comply with regulatory requirements in international markets or to obtain and maintain required approvals, our target market will be reduced and our ability to realize the full market potential of our products will be harmed.

In the United States, we may seek fast track or breakthrough designation of AFM13 and/or AFM11 and/or our other product candidates. There is no assurance that the FDA will grant either such designation; and, even if it does grant either such designation to AFM13 or AFM11 or one of our other product candidates, such designation may not actually lead to a faster development or regulatory review or approval process and does not increase the likelihood that our product candidates will receive marketing approval in the United States.

We may seek fast track or breakthrough designation of AFM13 and/or AFM11 and/or our other product candidates. The fast track program, a provision of the FDA Modernization Act of 1997, is designed to facilitate interactions between a sponsoring company and the FDA before and during submission of a BLA for an investigational agent that, alone or in combination with one or more other drugs, is intended to treat a serious or life-threatening disease or condition, and which demonstrates the potential to address an unmet medical need for that disease or condition. Under the fast track program, the FDA may consider reviewing portions of a marketing application before the sponsor submits the complete application if the FDA

determines, after a preliminary evaluation of the clinical data, that a fast track product may be effective. A fast track designation provides the opportunity for more frequent interactions with the FDA, and a fast track product could be eligible for priority review if supported by clinical data at the time of submission of the BLA.

The FDA is authorized to designate a product candidate as a breakthrough therapy if it finds that the product is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. For products designated as breakthrough therapies, interaction and communication between the FDA and the sponsor of the trial can help to identify the most efficient path for clinical development while minimizing the number of patients placed in ineffective control regimens. Products designated as breakthrough therapies by the FDA are also eligible for accelerated approval.

The FDA has broad discretion whether or not to grant fast track or breakthrough designation. Accordingly, even if we believe one of our product candidates meets the criteria for fast track or breakthrough designation, the FDA may disagree and instead determine not to make such designation. In any event, the receipt of fast-track or breakthrough therapy designation for a product candidate may not result in a faster development process, review or approval compared to product candidates considered for approval under conventional FDA procedures and, in any event, does not assure ultimate approval by the FDA. In addition, even if one or more of our product candidates qualify as fast track or breakthrough therapies, the FDA may later decide that the product candidates no longer meet the conditions for qualification or decide that the time period for FDA review or approval will not be shortened.

We may be unable to obtain orphan product designation or exclusivity for some or all of our product candidates. If our competitors are able to obtain orphan product exclusivity for their products in the same indications for which we are developing our product candidates, we may not be able to have our products approved by the applicable regulatory authority for a significant period of time. Conversely, if we obtain orphan drug exclusivity for some of our product candidates, we may not be able to benefit from the associated marketing exclusivity.

Regulatory authorities in some jurisdictions, including the United States and Europe, may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a product candidate as an orphan drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 individuals annually in the United States. In the European Union, or the EU, the European Commission may designate a product candidate as an orphan medicinal product if it is a medicine for the diagnosis, prevention or treatment of life-threatening or very serious conditions that affects not more than five in 10,000 persons in the European Union, or it is unlikely that marketing of the medicine would generate sufficient returns to justify the investment needed for its development. We have received orphan drug designation for AFM13 for the treatment of HL in the United States and Europe, but orphan drug status may not ensure that we have market exclusivity in a particular market and there is no assurance we will be able to receive orphan drug designation for AFM11 or any additional product candidates. Further, the granting of a request for orphan drug designation does not alter the standard regulatory requirements and process for obtaining marketing approval.

Generally, if a product candidate with an orphan drug designation receives the first marketing approval for the indication for which it has such designation, the product is entitled to a period of marketing exclusivity, which, subject to certain exceptions, precludes the FDA from approving the marketing application of another drug for the same indication for that time period or precludes the EMA, and other national drug regulators in the EU, from accepting the marketing application for another medicinal product for the same indication. The applicable period is seven years in the United States and ten years in the European Union. The EU period can be reduced to six years if a product no longer meets the criteria for orphan drug designation or if the product is sufficiently profitable so that market exclusivity is no longer justified. In the EU, orphan exclusivity

may also be extended for an additional two years (i.e., a maximum of 12 years' orphan exclusivity) if the product is approved on the basis of a dossier that includes pediatric clinical trial data generated in accordance with an approved paediatric investigation plan. Orphan drug exclusivity may be lost in the United States if the FDA determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the product to meet the needs of patients with the rare disease or condition.

Even if we obtain orphan drug exclusivity for one or more of our products, that exclusivity may not effectively protect the product from competition because exclusivity can be suspended under certain circumstances. In the United States, even after an orphan drug is approved, the FDA can subsequently approve another drug for the same condition if the FDA concludes that the later drug is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care. In the European Union, orphan exclusivity will not prevent a marketing authorization being granted for a similar medicinal product in the same indication if the new product is safer, more effective or otherwise clinically superior to the first product or if the marketing authorization holder of the first product is unable to supply sufficient quantities of the product.

Our product candidates may have serious adverse, undesirable or unacceptable side effects which may delay or prevent marketing approval. If such side effects are identified during the development of our product candidates or following approval, if any, we may need to abandon our development of such product candidates, the commercial profile of any approved label may be limited, or we may be subject to other significant negative consequences following marketing approval, if any.

Although all of our product candidates have undergone or will undergo safety testing to the extent possible and agreed with health authorities, not all adverse effects of drugs can be predicted or anticipated. Immunotherapy and its method of action of harnessing the body's immune system, especially with respect to T-cell TandAbs, is powerful and could lead to serious side effects that we only discover in clinical trials. Unforeseen side effects from any of our product candidates could arise either during clinical development or, if such side effects are more rare, after our product candidates have been approved by regulatory authorities and the approved product has been marketed, resulting in the exposure of additional patients. All of our product candidates are still in clinical or preclinical development. While our phase 1 clinical trials for AFM13 demonstrated a favorable safety profile, the results from future trials of AFM13 may not confirm these results. We have recently commenced our phase 1 clinical trial of AFM11, the primary objective of which is to assess safety. The harnessing of T-cells to kill tumor is risky and may have unintended consequences. Thus, we have not previously demonstrated that AFM11 is safe in humans, and we may not do so.

Furthermore, we are initially developing our product candidates for patients with HL and NHL for whom no other therapies have succeeded and survival times are frequently short. Therefore, we expect that certain patients may die during the clinical trials of our product candidates, and it may be difficult to ascertain whether such deaths are attributable to the underlying disease, complications from the disease, our product candidates or a combination thereof.

The results of future clinical trials may show that our product candidates cause undesirable or unacceptable side effects, which could interrupt, delay or halt clinical trials, and result in delay of, or failure to obtain, marketing approval from the FDA, the European Commission and other regulatory authorities, or result in marketing approval from the FDA, the European Commission and other regulatory authorities with restrictive label warnings or potential product liability claims.

If any of our product candidates receives marketing approval and we or others later identify undesirable or unacceptable side effects caused by such products:

- regulatory authorities may require us to take our approved product off the market;
- regulatory authorities may require the addition of labeling statements, specific warnings, a contraindication or field alerts to physicians and pharmacies;
- we may be required to change the way the product is administered, conduct additional clinical trials or change the labeling of the product;

- we may be subject to limitations on how we may promote the product;
- sales of the product may decrease significantly;
- we may be subject to litigation or product liability claims; and
- our reputation may suffer.

Any of these events could prevent us, our collaborators or our potential future partners from achieving or maintaining market acceptance of the affected product or could substantially increase commercialization costs and expenses, which in turn could delay or prevent us from generating significant revenue from the sale of our products.

Adverse events in the field of immuno-oncology could damage public perception of our product candidates and negatively affect our business.

The commercial success of our products will depend in part on public acceptance of the use of cancer immunotherapies. Adverse events in clinical trials of our product candidates or in clinical trials of others developing similar products and the resulting publicity, as well as any other adverse events in the field of immuno-oncology that may occur in the future, could result in a decrease in demand for any products that we may develop. For example, Memorial Sloan Kettering's recent suspension of enrollment of a trial of Juno Therapeutic's therapy using T-cells reengineered with chimeric antigen receptors (CARs) against CD19-positive B-cells for aggressive NHL attracted significant negative attention. Although the mode of action of our T-cell TandAbs differs from that of CARs, the public may not always differentiate between our therapies and others in the field. If public perception is influenced by claims that the use of cancer immunotherapies is unsafe, our products may not be accepted by the general public or the medical community.

Future adverse events in immuno-oncology or the biopharmaceutical industry could also result in greater governmental regulation, stricter labeling requirements and potential regulatory delays in the testing or approvals of our products. Any increased scrutiny could delay or increase the costs of obtaining regulatory approval for our product candidates.

We depend on enrollment of patients in our clinical trials for our product candidates. If we are unable to enroll patients in our clinical trials, our research and development efforts could be materially adversely affected.

Successful and timely completion of clinical trials will require that we enroll a sufficient number of patient candidates. Trials may be subject to delays as a result of patient enrollment taking longer than anticipated or patient withdrawal. Patient enrollment depends on many factors, including the size and nature of the patient population, eligibility criteria for the trial, the proximity of patients to clinical sites, the design of the clinical protocol, the availability of competing clinical trials, the availability of new drugs approved for the indication the clinical trial is investigating, and clinicians' and patients' perceptions as to the potential advantages of the drug being studied in relation to other available therapies. For example, our product candidate AFM13 has orphan drug designation for the treatment of HL, which means that the potential patient population is limited. Further, in our phase 2a clinical trial of AFM13 we plan to enroll patients with relapsed/refractory HL who have been treated with Adcetris (brentuximab vedotin), which is an even more limited population of patients. As we are developing AFM13 and AFM11 for patients for whom all other therapies have failed and who may not have long to live, patients may not elect not to participate in our, or any, clinical trial. In addition, there are several other drugs potentially in development for the indications for which we may develop AFM11, and we may compete for patients with the sponsors of trials for those drugs. These factors may make it difficult for us to enroll enough patients to complete our clinical trials in a timely and cost-effective manner. Delays in the completion of any clinical trial of our product candidates will increase our costs, slow down our product candidate development and approval process and delay or potentially jeopardize our ability to commence product sales and generate revenue. In addition, some of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

Even if approved, if any of our product candidates do not achieve broad market acceptance among physicians, patients, the medical community and third-party payors, our revenue generated from their sales will be limited.

The commercial success of our product candidates will depend upon their acceptance among physicians, patients and the medical community. The degree of market acceptance of our product candidates will depend on a number of factors, including:

- limitations or warnings contained in the approved labeling for a product candidate;
- changes in the standard of care for the targeted indications for any of our product candidates;
- limitations in the approved clinical indications for our product candidates;
- demonstrated clinical safety and efficacy compared to other products;
- lack of significant adverse side effects;
- sales, marketing and distribution support;
- availability and extent of reimbursement from managed care plans and other third-party payors;
- timing of market introduction and perceived effectiveness of competitive products;
- the degree of cost-effectiveness of our product candidates;
- availability of alternative therapies at similar or lower cost, including generic and over-the-counter products;
- the extent to which the product candidate is approved for inclusion on formularies of hospitals and managed care organizations;
- whether the product is designated under physician treatment guidelines as a first-line therapy or as a second- or third-line therapy for particular diseases;
- adverse publicity about our product candidates or favorable publicity about competitive products;
- convenience and ease of administration of our products; and
- potential product liability claims.

If any of our product candidates are approved, but do not achieve an adequate level of acceptance by physicians, patients and the medical community, we may not generate sufficient revenue from these products, and we may not become or remain profitable. In addition, efforts to educate the medical community and third-party payors on the benefits of our product candidates may require significant resources and may never be successful.

We are subject to manufacturing risks that could substantially increase our costs and limit supply of our products.

The process of manufacturing our products is complex, highly regulated and subject to several risks, including:

- We do not have experience in manufacturing our product candidates at commercial scale. We plan to contract with external manufacturers to develop a larger scale process for manufacturing AFM13 in parallel with our phase 2a trial of AFM13, in order to have material from such commercial scale process available for a potential pivotal phase 2b trial. We may not succeed in the scaling up of our process. We may need a larger scale manufacturing process for AFM11 than what we have planned, depending on the dose and regimen that will be determined in our phase 1 study. Any changes in our manufacturing processes as a result of scaling up may result in the need to obtain additional regulatory approvals. Difficulties in achieving commercial-scale production or the need for additional regulatory approvals as a result of scaling up could delay the development and regulatory approval of our product candidates and ultimately affect our success.
- The process of manufacturing biologics, such as AFM13, AFM11 and our other product candidates, is extremely susceptible to product loss due to contamination, equipment failure or improper installation or operation of equipment, vendor or operator error, inconsistency in yields, variability in product characteristics and difficulties in scaling the production process. Even minor deviations from normal

manufacturing processes could result in reduced production yields, product defects and other supply disruptions. If microbial, viral or other contaminations are discovered in our product candidates or in the manufacturing facilities in which our product candidates are made, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination.

- The manufacturing facilities in which our product candidates are made could be adversely affected by equipment failures, labor shortages, natural disasters, power failures and numerous other factors.
- We must comply with applicable current Good Manufacturing Practice, or cGMP, regulations and guidelines. We may encounter difficulties in achieving quality control and quality assurance and may experience shortages in qualified personnel. We are subject to inspections by the FDA and comparable agencies in other jurisdictions to confirm compliance with applicable regulatory requirements. Any failure to follow cGMP or other regulatory requirements or delay, interruption or other issues that arise in the manufacture, fill-finish, packaging, or storage of our product candidates as a result of a failure of our facilities or the facilities or operations of third parties to comply with regulatory requirements or pass any regulatory authority inspection could significantly impair our ability to develop and commercialize our product candidates, including leading to significant delays in the availability of drug product for our clinical trials or the termination or hold on a clinical trial, or the delay or prevention of a filing or approval of marketing applications for our product candidates. Significant noncompliance could also result in the imposition of sanctions, including fines, injunctions, civil penalties, failure of regulatory authorities to grant marketing approvals for our product candidates, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, any of which could damage our reputation. If we are not able to maintain regulatory compliance, we may not be permitted to market our product candidates and/or may be subject to product recalls, seizures, injunctions, or criminal prosecution.
- Any adverse developments affecting manufacturing operations for our product candidates, if any are approved, may result in shipment delays, inventory shortages, lot failures, product withdrawals or recalls, or other interruptions in the supply of our products. We may also have to take inventory write-offs and incur other charges and expenses for products that fail to meet specifications, undertake costly remediation efforts or seek more costly manufacturing alternatives.
- Our product candidates that have been produced and are stored for later use may degrade, become contaminated or suffer other quality defects, which may cause the affected product candidates to no longer be suitable for their intended use in clinical trials or other development activities. If the defective product candidates cannot be replaced in a timely fashion, we may incur significant delays in our development programs that could adversely affect the value of such product candidates.

We currently have no marketing, sales or distribution infrastructure. If we are unable to develop sales, marketing and distribution capabilities on our own or through collaborations, or if we fail to achieve adequate pricing and/or reimbursement we will not be successful in commercializing our product candidates.

We currently have no marketing, sales and distribution capabilities because our lead product candidates are still in clinical development. If any of our product candidates are approved, we intend either to establish a sales and marketing organization with technical expertise and supporting distribution capabilities to commercialize our product candidates, or to outsource this function to a third party. Either of these options would be expensive and time consuming. These costs may be incurred in advance of any approval of our product candidates. In addition, we may not be able to hire a sales force that is sufficient in size or has adequate expertise in the medical markets that we intend to target. Any failure or delay in the development of our internal sales, marketing and distribution capabilities would adversely impact the commercialization of our products.

To the extent that we enter into collaboration agreements with respect to marketing, sales or distribution, our product revenue may be lower than if we directly marketed or sold any approved products. In addition, any revenue we receive will depend in whole or in part upon the efforts of these third-party collaborators, which

may not be successful and are generally not within our control. If we are unable to enter into these arrangements on acceptable terms or at all, we may not be able to successfully commercialize any approved products. If we are not successful in commercializing any approved products, either on our own or through collaborations with one or more third parties, our future product revenue will suffer and we may incur significant additional losses.

We face significant competition and if our competitors develop and market products that are more effective, safer or less expensive than our product candidates, our commercial opportunities will be negatively impacted.

The life sciences industry is highly competitive and subject to rapid and significant technological change. We are currently developing therapeutics that will compete with other drugs and therapies that currently exist or are being developed. Products we may develop in the future are also likely to face competition from other drugs and therapies, some of which we may not currently be aware. We have competitors both in the United States and internationally, including major multinational pharmaceutical companies, established biotechnology companies, specialty pharmaceutical companies, universities and other research institutions. Many of our competitors have significantly greater financial, manufacturing, marketing, drug development, technical and human resources than we do. Large pharmaceutical companies, in particular, have extensive experience in clinical testing, obtaining regulatory approvals, recruiting patients and in manufacturing pharmaceutical products. These companies also have significantly greater research and marketing capabilities than we do and may also have products that have been approved or are in late stages of development, and collaborative arrangements in our target markets with leading companies and research institutions. Established pharmaceutical companies may also invest heavily to accelerate discovery and development of novel compounds or to in-license novel compounds that could make the product candidates that we develop obsolete. As a result of all of these factors, our competitors may succeed in obtaining patent protection and/or marketing approval or discovering, developing and commercializing products in our field before we do.

There is a large number of companies developing or marketing treatments for cancer disorders, including many major pharmaceutical and biotechnology companies. These treatments consist both of small molecule drug products, as well as biologic therapeutics that work by using next-generation antibody technology platforms to address specific cancer targets. These treatments are often combined with one another in an attempt to maximize the response rate. In addition, several companies are developing therapeutics that work by targeting multiple specificities using a single recombinant molecule, as we are.

In the HL salvage setting, Adcetris is an antibody-drug conjugate approved by the FDA in 2011 that targets CD30, the same target as AFM13. If and when AFM13 were to be approved for patients refractory to Adcetris, we would not compete directly with Adcetris. However, as we develop AFM13 for earlier-line therapies, for example in combination with other therapies as a second- or even first-line treatment, we would compete with Adcetris, which is in development for such indications. Further, we would be in competition with any therapies or combination regimens that currently comprise the standard of care that AFM13 could potentially displace. Other agents that have reached phase 2 clinical trials in HL include 4SC201 (4SC AG), Afinitor® (Novartis AG), idealisib (Gilead Sciences), ferritarg (MABLife), iratumumab (Bristol-Myers Squibb) and PLX 3397 (Daiichi Sankyo). Recently, Bristol-Myers Squibb announced that nivolumab, an anti-PD-1 antibody (checkpoint inhibitor), has been granted breakthrough designation by the FDA for relapsed/refractory HL. The breakthrough designation seems to be based on a phase 1b study in hematological malignancies. The study is still ongoing and data has not yet been published.

With respect to competitors for AFM11, rituximab has been approved to treat certain types of NHL in both the United States and Europe and is generally combined with a chemotherapy regimen (typically CHOP or bendamustine). Imbruvica, a small molecule drug targeting malignant B-cells, was recently approved by the FDA to treat the mantle cell variant of NHL (MCL). Amgen is now in late-stage clinical development of cancer

product candidates that work by targeting receptors both on immune cells and cancer cells, like our TandAbs. Amgen's blinatumomab, a candidate developed with BiTE (bispecific T-cell engager) technology, is an antibody construct similar to AFM11. Amgen is currently recruiting patients for a phase 3 trial with blinatumomab. Juno Therapeutic and Kite Pharma are developing a therapy using T-cells reengineered with chimeric antigen receptors (CARs) against CD19-positive B-cells. This therapeutic approach, which engages a patient's own T-cells after ex-vivo genetic modification, is currently being investigated in phase 1 trials. Although only early stage data are available, CAR treatments seem to result in high response rates.

We expect that our TandAb and trispecific antibody platforms will serve as the basis for future product candidates and collaborations with pharmaceutical companies. Other companies also have developed platform technologies that compete with us. For example, Macrogenics is developing its DART platform, which enables the targeting of multiple receptors or cells by using a single molecule with an antibody-like structure, and one product candidate based on this platform is expected to enter phase 1 clinical trials in the second quarter of 2014. Ablynx is also developing such a platform aimed at multi-receptor targeting, which to date has not reached clinical testing.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe effects, are more convenient or are less expensive than any products that we may develop. Our competitors also may obtain FDA, European Commission or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. Even if our product candidates achieve marketing approval, they may be priced at a significant premium over competitive products if any have been approved by then, resulting in reduced competitiveness.

In addition, our ability to compete in the future may be affected in many cases by insurers or other third-party payors seeking to encourage the use of biosimilar products. In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or collectively, the Health Care Reform Law, a sweeping law intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for health care and health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms. The Health Care Reform Law also created a new regulatory scheme authorizing the FDA to approve biosimilars. Under the Health Care Reform Law, a manufacturer may submit an application for licensure of a biologic product that is "biosimilar to" or "interchangeable with" a previously approved biological product or "reference product," without the need to submit a full package of preclinical and clinical data. Under this new statutory scheme, an application for a biosimilar product may not be submitted to the FDA until four years following approval of the reference product. The FDA may not approve a biosimilar product until 12 years from the date on which the reference product was approved. Even if a product is considered to be a reference product eligible for exclusivity, another company could market a competing version of that product if the FDA approves a full BLA for such product containing the sponsor's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of their product. Furthermore, recent legislation has proposed that the 12 year exclusivity period for each a reference product may be reduced to seven years.

Smaller and other early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. In addition, the biopharmaceutical industry is characterized by rapid technological change. If we fail to stay at the forefront of technological change, we may be unable to compete effectively. Technological advances or products developed by our competitors may render our technologies or product candidates obsolete, less competitive or not economical.

Enacted and future legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize our product candidates and may affect the prices we may set. The successful commercialization of our product candidates will depend in part on the extent to which governmental authorities and health insurers establish adequate coverage and reimbursement levels and pricing policies.

In the United States, the European Union, its member states and some other foreign jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system. These changes could prevent or delay marketing approval of our product candidates, restrict or regulate post-approval activities and affect our ability to sell profitably any products for which we obtain marketing approval. Among policy makers and payors in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality and/or expanding access to healthcare.

In the United States, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, or the Medicare Modernization Act, changed the way Medicare covers and pays for pharmaceutical products. The legislation expanded Medicare coverage for drug purchases by the elderly and introduced a new reimbursement methodology based on average sale prices for physician-administered drugs. In addition, this legislation provided authority for limiting the number of drugs that will be covered in any therapeutic class. Cost-reduction initiatives and other provisions of this legislation could decrease the coverage and price that we receive for any approved products. While the Medicare Modernization Act applies only to drug benefits for Medicare beneficiaries, private payors often follow Medicare coverage policy and payment limitations in setting their own reimbursement rates. Therefore, any reduction in reimbursement that results from the Medicare Modernization Act may result in a similar reduction in payments from private payors.

In addition, the Health Care Reform Law, among other things, increased rebates a manufacturer must pay to the Medicaid program, addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected, established a new Medicare Part D coverage gap discount program, in which manufacturers must provide 50% point-of-sale discounts on products covered under Part D and implemented payment system reforms including a national pilot program on payment bundling to encourage hospitals, physicians and other providers to improve the coordination, quality and efficiency of certain healthcare services through bundled payment models. Further, the new law imposed a significant annual fee on companies that manufacture or import branded prescription drug products. Substantial new provisions affecting compliance were enacted, which may affect our business practices with health care practitioners. The goal of the Health Care Reform Law is to reduce the cost of health care and substantially change the way health care is financed by both governmental and private insurers. While we cannot predict what impact on federal reimbursement policies this legislation will have in general or on our business specifically, the Health Care Reform Law may result in downward pressure on pharmaceutical reimbursement, which could negatively affect market acceptance of, and the price we may charge for, any products we develop that receive regulatory approval. We also cannot predict the impact of the Health Care Reform Law on our business or financial condition as many of the Health Care Reform Law reforms require the promulgation of detailed regulations implementing the statutory provisions, which has not yet occurred.

Moreover, other legislative changes have also been proposed and adopted in the United States since the Health Care Reform Law was enacted. On August 2, 2011, the Budget Control Act of 2011, among other things, created measures for spending reductions by Congress. A Joint Select Committee on Deficit Reduction, tasked with recommending a targeted deficit reduction of at least $1.2 trillion for the years 2013 through 2021, was unable to reach required goals, thereby triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions to Medicare payments to providers of 2% per fiscal year, which went into effect on April 1, 2013. On January 2, 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, or the ATRA, which, among other things, further reduced Medicare payments to several providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from

three to five years. These new laws may result in additional reductions in Medicare and other health care funding, which could have a material adverse effect on our customers and accordingly, our financial operations.

The delivery of healthcare in the European Union, including the establishment and operation of health services and the pricing and reimbursement of medicines, is almost exclusively a matter for national, rather than EU, law and policy. National governments and health service providers have different priorities and approaches to the delivery of health care and the pricing and reimbursement of products in that context. In general, however, the healthcare budgetary constraints in most EU member states have resulted in restrictions on the pricing and reimbursement of medicines by relevant health service providers. Coupled with ever-increasing EU and national regulatory burdens on those wishing to develop and market products, this could prevent or delay marketing approval of our product candidates, restrict or regulate post-approval activities and affect our ability to commercialize any products for which we obtain marketing approval.

If any product liability lawsuits are successfully brought against us or any of our collaborators, we may incur substantial liabilities and may be required to limit commercialization of our product candidates.

We face an inherent risk of product liability lawsuits related to the testing of our product candidates in seriously ill patients, and will face an even greater risk if product candidates are approved by regulatory authorities and introduced commercially. Product liability claims may be brought against us or our collaborators by participants enrolled in our clinical trials, patients, health care providers or others using, administering or selling any of our future approved products. If we cannot successfully defend ourselves against any such claims, we may incur substantial liabilities. Regardless of their merit or eventual outcome, liability claims may result in:

- decreased demand for our future approved products;
- injury to our reputation;
- withdrawal of clinical trial participants;
- termination of clinical trial sites or entire trial programs;
- increased regulatory scrutiny;
- significant litigation costs;
- substantial monetary awards to or costly settlement with patients or other claimants;
- product recalls or a change in the indications for which they may be used;
- loss of revenue;
- diversion of management and scientific resources from our business operations; and
- the inability to commercialize our product candidates.

If any of our product candidates are approved for commercial sale, we will be highly dependent upon consumer perceptions of us and the safety and quality of our products. We could be adversely affected if we are subject to negative publicity. We could also be adversely affected if any of our products or any similar products distributed by other companies prove to be, or are asserted to be, harmful to patients. Because of our dependence upon consumer perceptions, any adverse publicity associated with illness or other adverse effects resulting from patients' use or misuse of our products or any similar products distributed by other companies could have a material adverse impact on our financial condition or results of operations.

We currently hold €10 million in product liability insurance coverage per year in the aggregate, with a per incident limit of €5 million except for environmental liability risks, for which the per incident limit is €3 million. We also hold €5 million in clinical trial insurance for the AFM11 phase 1 clinical trial with a per incident limit of €0.5 million. Our current insurance coverage may not be adequate to cover all liabilities that we may incur. We may need to increase our insurance coverage when we begin the commercialization of our product candidates. Insurance coverage is becoming increasingly expensive. As a result, we may be unable to maintain or obtain sufficient insurance at a reasonable cost to protect us against losses that could have a

material adverse effect on our business. A successful product liability claim or series of claims brought against us, particularly if judgments exceed any insurance coverage we may have, could decrease our cash resources and adversely affect our business, financial condition and results of operation.

Our business may become subject to economic, political, regulatory and other risks associated with international operations.

Our business is subject to risks associated with conducting business internationally. A number of our suppliers and collaborative and clinical trial relationships are located outside the United States. Accordingly, our future results could be harmed by a variety of factors, including:

- economic weakness, including inflation, or political instability in particular non-U.S. economies and markets;
- differing regulatory requirements for drug approvals in non-U.S. countries;
- potentially reduced protection for intellectual property rights;
- difficulties in compliance with non-U.S. laws and regulations;
- changes in non-U.S. regulations and customs, tariffs and trade barriers;
- changes in non-U.S. currency exchange rates and currency controls;
- changes in a specific country's or region's political or economic environment;
- trade protection measures, import or export licensing requirements or other restrictive actions by U.S. or non-U.S. governments;
- negative consequences from changes in tax laws;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- difficulties associated with staffing and managing international operations, including differing labor relations;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters including earthquakes, typhoons, floods and fires.

Exchange rate fluctuations or abandonment of the euro currency may materially affect our results of operations and financial condition.

Potential future revenue may be derived from abroad, particularly from the United States. As a result, our business and share price may be affected by fluctuations in foreign exchange rates between the euro and these other currencies, which may also have a significant impact on our reported results of operations and cash flows from period to period. Currently, we do not have any exchange rate hedging arrangements in place. In addition, the possible abandonment of the euro by one or more members of the European Union could materially affect our business in the future. Despite measures taken by the European Union to provide funding to certain EU member states in financial difficulties and by a number of European countries to stabilize their economies and reduce their debt burdens, it is possible that the euro could be abandoned in the future as a currency by countries that have adopted its use. This could lead to the re-introduction of individual currencies in one or more EU member states, or in more extreme circumstances, the dissolution of the European Union. The effects on our business of a potential dissolution of the European Union, the exit of one or more EU member states from the European Union or the abandonment of the euro as a currency, are impossible to predict with certainty, and any such events could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Our Financial Position and Need for Additional Capital

We have incurred significant losses since inception and anticipate that we will continue to incur losses for the foreseeable future. We have no products approved for commercial sale, and to date we have not generated any revenue or profit from product sales. We may never achieve or sustain profitability.

We are a clinical-stage biopharmaceutical company with a limited operating history. We have incurred significant losses since our inception. As of June 30, 2014, our accumulated deficit was €102.0 million. Our losses have resulted principally from expenses incurred in research and development of our product candidates and from general and administrative expenses that we have incurred while building our business infrastructure. We expect to continue to incur losses for the foreseeable future, and we expect these losses to increase as we continue our research and development of, and seek regulatory approvals for, our product candidates, prepare for and begin to commercialize any approved products, and add infrastructure and personnel to support our product development efforts and operations as a public company. The net losses and negative cash flows incurred to date, together with expected future losses, have had, and likely will continue to have, an adverse effect on our shareholders' equity and working capital. The amount of future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenue.

Because of the numerous risks and uncertainties associated with pharmaceutical product development, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to achieve profitability. For example, our expenses could increase if we are required by the FDA or the EMA to perform trials in addition to those that we currently expect to perform, or if there are any delays in completing our currently planned clinical trials or in the development of any of our product candidates.

To become and remain profitable, we must succeed in developing and commercializing products with significant market potential. This will require us to be successful in a range of challenging activities for which we are only in the preliminary stages, including developing product candidates, obtaining regulatory approval for them, and manufacturing, marketing and selling those products for which we may obtain regulatory approval. We may never succeed in these activities and may never generate revenue from product sales that is significant enough to achieve profitability. Our ability to generate future revenue from product sales depends heavily on our success in many areas, including but not limited to:

- completing research and clinical development of our product candidates, including successfully completing registration clinical trials of AFM13 or AFM11;
- obtaining marketing approvals for our product candidates, including AFM13 or AFM11, for which we complete clinical trials;
- developing a sustainable and scalable manufacturing process for any approved product candidates and maintaining supply and manufacturing relationships with third parties that can conduct the process and provide adequate (in amount and quality) products to support clinical development and the market demand for our product candidates, if approved;
- launching and commercializing product candidates for which we obtain marketing approval, either directly or with a collaborator or distributor;
- establishing sales, marketing, and distribution capabilities in the United States;
- obtaining market acceptance of our product candidates as viable treatment options;
- addressing any competing technological and market developments;
- identifying, assessing, acquiring and/or developing new product candidates;
- negotiating favorable terms in any collaboration, licensing, or other arrangements into which we may enter;
- maintaining, protecting, and expanding our portfolio of intellectual property rights, including patents, trade secrets, and know-how; and
- attracting, hiring and retaining qualified personnel.

Even if one or more of the product candidates that we develop is approved for commercial sale, we anticipate incurring significant costs associated with commercializing any approved product candidate. Because of the numerous risks and uncertainties with pharmaceutical product development, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to achieve profitability. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. Our failure to become or remain profitable would depress our market value and could impair our ability to raise capital, expand our business, develop other product candidates, or continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment.

Our recurring losses from operations have raised substantial doubt regarding our ability to continue as a going concern.

As shown in the financial statements included in this prospectus, we have had recurring losses from operations and, as a result, our independent registered public accounting firm has expressed substantial doubt concerning our ability to continue as a going concern and has included an explanatory paragraph in its report on our financial statement as of and for the year ended December 31, 2013 with respect to this uncertainty. Future reports on our financial statements may also include an explanatory paragraph with respect to our ability to continue as a going concern. We have incurred significant losses since our inception and have never generated profit, and it is possible we will never generate profit. Meaningful revenues will likely not be available until and unless any future product candidates are approved by the FDA, European Commission or comparable regulatory agencies in other countries and successfully marketed, either by us or a partner, an outcome which may not occur. There is no assurance that other financing will be available when needed to allow us to continue as a going concern. The perception that we may not be able to continue as a going concern may cause others to choose not to deal with us due to concerns about our ability to meet our contractual obligations. If we are unable to continue as a going concern, you could lose all or part of your investment in our company.

We will require substantial additional funding, which may not be available to us on acceptable terms, or at all, and, if not available, may require us to delay, scale back, or cease our product development programs or operations.

We are advancing our product candidates through clinical development. Developing pharmaceutical products, including conducting preclinical studies and clinical trials, is expensive. In order to obtain such regulatory approval, we will be required to conduct clinical trials for each indication for each of our product candidates. We will continue to require additional funding beyond this contemplated offering to complete the development and commercialization of our product candidates and to continue to advance the development of our other product candidates, and such funding may not be available on acceptable terms or at all. Although it is difficult to predict our liquidity requirements, based upon our current operating plan, we anticipate that the net proceeds from this offering, together with our existing cash and cash equivalents and the payments we anticipate receiving from Amphivena under our license and development agreement through 2016, will enable us to fund the clinical development of AFM13, AFM11 and AFM21 for at least the next months, assuming all of our programs advance as currently contemplated. Because successful development of our product candidates is uncertain, we are unable to estimate the actual funds we will require to complete research and development and to commercialize our product candidates.

Our future funding requirements will depend on many factors, including but not limited to:

- the number and characteristics of other product candidates that we pursue;
- the scope, progress, timing, cost and results of research, preclinical development, and clinical trials;
- the costs, timing and outcome of seeking and obtaining FDA and non-U.S. regulatory approvals;
- the costs associated with manufacturing our product candidates and establishing sales, marketing, and distribution capabilities;

- our ability to maintain, expand, and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make in connection with the licensing, filing, defense and enforcement of any patents or other intellectual property rights;
- the extent to which we acquire or in-license other products or technologies;
- our need and ability to hire additional management, scientific, and medical personnel;
- the effect of competing products that may limit market penetration of our product candidates;
- the amount and timing of revenues, if any, we receive from commercial sales of any product candidates for which we receive marketing approval in the future;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems; and
- the economic and other terms, timing of and success of our existing collaborations, and any collaboration, licensing, or other arrangements into which we may enter in the future, including the timing of achievement of milestones and receipt of any milestone or royalty payments under these agreements.

Until we can generate a sufficient amount of product revenue to finance our cash requirements, which we may never do, we expect to finance future cash needs primarily through a combination of public or private equity offerings, debt financings, strategic collaborations, and grant funding. If sufficient funds on acceptable terms are not available when needed, or at all, we could be forced to significantly reduce operating expenses and delay, scale back or eliminate one or more of our development programs or our business operations or even go bankrupt.

Raising additional capital may cause dilution to our shareholders, including purchasers of common shares in this offering, restrict our operations or require us to relinquish substantial rights.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of equity offerings, debt financings, grants and license and development agreements in connection with any collaborations. We do not have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these new securities may include liquidation or other preferences that adversely affect your rights as a holder of our common shares. Debt financing, if available at all, may involve agreements that include covenants limiting or restricting our ability to take specific actions such as incurring additional debt, making capital expenditures, or declaring dividends. If we raise additional funds through collaborations, strategic alliances, or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, product candidates, or future revenue streams, or grant licenses on terms that are not favorable to us. We cannot assure you that we will be able to obtain additional funding if and when necessary. If we are unable to obtain adequate financing on a timely basis, we could be required to delay, scale back or eliminate one or more of our development programs or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

Our management has broad discretion to use our cash and cash equivalents to fund our operations and could spend these funds in ways that do not improve our results of operations or enhance the value of our common shares. The failure by our management to apply these funds effectively could result in financial losses that could have a material adverse effect on our business, cause the price of our common shares to decline and delay the development of our product candidates. Pending their use to fund operations, we may invest our cash and cash equivalents in a manner that does not produce income or that loses value.

Our ability to use our net operating loss carry forwards and other tax attributes may be limited.

Our ability to utilize our net operating losses, or NOLs, is currently limited, and may be limited further, under Section 8c of the Körperschaftsteuergesetz (the German Corporation Income Tax Act) and Section 10c of the

Gewerbesteuergesetz (the German Trade Tax Act). These limitations apply if a qualified ownership change, as defined by Section 8c of the Körperschaftsteuergesetz, occurs and no exemption is applicable. Generally, a qualified ownership change occurs if more than 25% of the share capital or the voting rights are directly or indirectly transferred to a shareholder or a group of shareholders within a period of 5 years. A qualified ownership change may also occur in case of an increase in capital leading to a respective change in the shareholding. In the case of such a qualified ownership change tax loss carry forwards, consisting of the NOLs in the same percentage as the ownership change. cannot be utilized. If the percentage of the ownership change exceeds 50%, tax loss carry forwards expire in full. To the extent that the tax loss carry forwards exceed hidden reserves taxable in Germany, they may be further utilized despite a qualified ownership change.

As of December 31, 2013, we had NOL carry forwards of $72.6 million (€52.7 million) available. Future changes in share ownership may also trigger an ownership change and, consequently, a Section 8c Körperschaftsteuergesetz or a Section 10c Gewerbesteuergesetz limitation. Any limitation may result in the expiration of a portion or the complete tax operating loss carry forwards before they can be utilized. As a result, if we earn net taxable income, our ability to use our pre-change net operating loss carry forwards to reduce German income tax may be subject to limitations, which could potentially result in increased future cash tax liability to us.

Risks Related to Our Dependence on Third Parties

Our existing collaborations on research and development candidates are important to our business, and future collaborations may also be important to us. If we are unable to maintain any of these collaborations, if these collaborations are not successful or if we fail to enter into new strategic relationships, our business could be adversely affected.

We have entered into collaborations with other companies that we believe have provided us with valuable funding, including our collaboration through Amphivena and our collaboration with The Leukemia & Lymphoma Society. In the future, we may enter into additional collaborations to fund our development programs or to gain access to sales, marketing or distribution capabilities. Our existing collaborations, and any future collaborations we enter into, may pose a number of risks, including the following:

- collaborators may have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- collaborators may not perform their obligations as expected;
- collaborators may not pursue development and commercialization of any product candidates that achieve regulatory approval or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the collaborators' strategic focus or available funding, or external factors, such as an acquisition, that divert resources or create competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our products or product candidates if the collaborators believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours;
- product candidates discovered in collaboration with us may be viewed by our collaborators as competitive with their own product candidates or products, which may cause collaborators to cease to devote resources to the commercialization of our product candidates;
- a collaborator with marketing and distribution rights to one or more of our product candidates that achieve regulatory approval may not commit sufficient resources to the marketing and distribution of such product or products;

- disagreements with collaborators, including disagreements over proprietary rights, contract interpretation or the preferred course of development, might cause delays or termination of the research, development or commercialization of product candidates, might lead to additional responsibilities for us with respect to product candidates, or might result in litigation or arbitration, any of which would be time-consuming and expensive;
- collaborators may not properly maintain or defend our intellectual property rights or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential litigation;
- collaborators may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability; and
- collaborations may be terminated for the convenience of the collaborator and, if terminated, we could be required to raise additional capital to pursue further development or commercialization of the applicable product candidates.

If our collaborations on research and development candidates do not result in the successful development and commercialization of products or if one of our collaborators terminates its agreement with us, we may not receive any future research funding or milestone or royalty payments under the collaboration. If we do not receive the funding we expect under these agreements, our development of our technology platforms and product candidates could be delayed and we may need additional resources to develop product candidates and our technology platforms. All of the risks relating to product development, regulatory approval and commercialization described in this prospectus also apply to the activities of our program collaborators. Furthermore, Amphivena has entered into a warrant agreement with Janssen that gives Janssen the option to acquire Amphivena following IND acceptance by the FDA, upon predetermined terms, in exchange for payments under the warrant. If Janssen does not exercise its option to purchase Amphivena or terminates the warrant early, such action could be viewed as having negative implications for our business and prospects. Additionally, if Amphivena does not have enough funding to pay the license and development fees due to us under the license and development agreement, there is a risk that funding will not be available to continue the development of the program. If such lack of funding exists, we may never reach IND acceptance.

Additionally, subject to its contractual obligations to us, if one of our collaborators is involved in a business combination, the collaborator might deemphasize or terminate the development or commercialization of any product candidate licensed to it by us. If one of our collaborators terminates its agreement with us, we may find it more difficult to attract new collaborators.

For some of our product candidates, we may in the future determine to collaborate with additional pharmaceutical and biotechnology companies for development and potential commercialization of therapeutic products. We face significant competition in seeking appropriate collaborators. Our ability to reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of a number of factors. These factors may include the design or results of clinical trials, the likelihood of approval by the FDA, the European Commission or similar regulatory authorities outside the United States, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to patients, the potential of competing products, the existence of uncertainty with respect to our ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge and industry and market conditions generally. The collaborator may also consider alternative product candidates or technologies for similar indications that may be available to collaborate on and whether such a collaboration could be more attractive than the one with us for our product candidate.

Collaborations are complex and time-consuming to negotiate and document. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators. If we are unable to reach agreements with suitable

collaborators on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a product candidate, reduce or delay one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to fund and undertake development or commercialization activities on our own, we may need to obtain additional expertise and additional capital, which may not be available to us on acceptable terms or at all. If we fail to enter into collaborations and do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, we may not be able to further develop our product candidates or bring them to market or continue to develop our technology platforms and our business may be materially and adversely affected.

We may also be restricted under existing collaboration agreements from entering into future agreements on certain terms with potential collaborators. Subject to certain specified exceptions, our collaboration with Amphivena contains restrictions on our engaging in activities that are the subject of the collaboration with third parties for specified periods of time.

Independent clinical investigators and CROs that we engage to conduct our clinical trials may not devote sufficient time or attention to our clinical trials or be able to repeat their past success.

We expect to continue to depend on independent clinical investigators and CROs to conduct our clinical trials. CROs may also assist us in the collection and analysis of data. There is a limited number of third-party service providers that specialize or have the expertise required to achieve our business objectives. Identifying, qualifying and managing performance of third-party service providers can be difficult, time consuming and cause delays in our development programs. These investigators and CROs will not be our employees and we will not be able to control, other than by contract, the amount of resources, including time, which they devote to our product candidates and clinical trials. If independent investigators or CROs fail to devote sufficient resources to the development of our product candidates, or if their performance is substandard, it may delay or compromise the prospects for approval and commercialization of any product candidates that we develop. In addition, the use of third-party service providers requires us to disclose our proprietary information to these parties, which could increase the risk that this information will be misappropriated. Further, the FDA and other regulatory authorities require that we comply with standards, commonly referred to as current Good Clinical Practice, or cGCP, for conducting, recording and reporting clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of trial subjects are protected. Failure of clinical investigators or CROs to meet their obligations to us or comply with cGCP procedures could adversely affect the clinical development of our product candidates and harm our business.

We contract with third parties for the manufacture of our product candidates for clinical testing and expect to continue to do so for commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or products or such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.

We anticipate continuing our engagement of contract manufacturing organizations to provide our clinical supply and internal capacity as we advance our product candidates into and through clinical development. We expect to use third parties for the manufacture of our product candidates for clinical testing, as well as for commercial manufacture. We plan eventually to enter into long-term supply agreements with several manufacturers for commercial supplies. We may be unable to reach agreement on satisfactory terms with contract manufacturers to manufacture our product candidates. Additionally, the facilities to manufacture our product candidates must be the subject of a satisfactory inspection before the FDA, the EMA or other regulatory authorities approve a BLA or grant a marketing authorization for the product candidate manufactured at that facility. We will depend on these third-party manufacturing partners for compliance with the FDA's and the EMA's requirements for the manufacture of our finished products. If our manufacturers cannot successfully manufacture material that conforms to our specifications and the FDA, European Commission and other regulatory authorities' cGMP requirements, our product candidates will not be approved or, if already approved, may be subject to recalls.

Reliance on third-party manufacturers entails risks to which we would not be subject if we manufactured the product candidates ourselves, including:

- the possibility of a breach of the manufacturing agreements by the third parties because of factors beyond our control;
- the possibility of termination or nonrenewal of the agreements by the third parties before we are able to arrange for a qualified replacement third-party manufacturer; and
- the possibility that we may not be able to secure a manufacturer or manufacturing capacity in a timely manner and on satisfactory terms in order to meet our manufacturing needs.

Any of these factors could cause the delay of approval or commercialization of our product candidates, cause us to incur higher costs or prevent us from commercializing our product candidates successfully. Furthermore, if any of our product candidates are approved and contract manufacturers fail to deliver the required commercial quantities of finished product on a timely basis and at commercially reasonable prices, and we are unable to find one or more replacement manufacturers capable of production at a substantially equivalent cost, in substantially equivalent volumes and quality and on a timely basis, we would likely be unable to meet demand for our products and could lose potential revenue. It may take several years to establish an alternative source of supply for our product candidates and to have any such new source approved by the FDA, the EMA or any other relevant regulatory authorities.

Risks Related to Our Intellectual Property

If we are unable to obtain and enforce patent protection for our product candidates and related technology, our business could be materially harmed.

Issued patents may be challenged, narrowed, invalidated or circumvented. In addition, court decisions may introduce uncertainty in the enforceability or scope of patents owned by biotechnology companies. The legal systems of certain countries do not favor the aggressive enforcement of patents, and the laws of non-U.S. countries may not allow us to protect our inventions with patents to the same extent as the laws of the United States and Europe. Because patent applications in the United States, Europe and many other non-U.S. jurisdictions are typically not published until 18 months after filing, or in some cases not at all, and because publications of discoveries in scientific literature lag behind actual discoveries, we cannot be certain that we were the first to make the inventions claimed in our issued patents or pending patent applications, or that we were the first to file for protection of the inventions set forth in our patents or patent applications. As a result, we may not be able to obtain or maintain protection for certain inventions. Therefore, the enforceability and scope of our patents in the United States, Europe and in other non-U.S. countries cannot be predicted with certainty and, as a result, any patents that we own or license may not provide sufficient protection against competitors. We may not be able to obtain or maintain patent protection from our pending patent applications, from those we may file in the future, or from those we may license from third parties. Moreover, even if we are able to obtain patent protection, such patent protection may be of insufficient scope to achieve our business objectives.

We own and/or control our AFM13 patent portfolio, which includes three patent families. Our first patent family is issued and relates to the engineered antibody format, which is called TandAb, and the methods of making or using such bispecific, tetravalent domain antibodies. This patent family will expire in 2019. The second patent family on AFM13 consists of European patents relating to the use of the specific target combination for the treatment of cancer using a bispecific molecule and will expire in 2020. Our third patent family relates to the mode of action of AFM13, the recruitment of immune effector cells via a specific receptor. If issued, this patent will expire in 2026. We also own and/or control our AFM11 patent portfolio, which includes issued patents and pending patent applications. As in the case of AFM13, our issued patent relates to the engineered antibody format and will expire in 2019. The pending patent application family claims a new TandAb structure which was specifically used in AFM11. If issued, this patent will expire in 2030.

Our strategy depends on our ability to identify and seek patent protection for our discoveries. This process is expensive and time consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner or in all jurisdictions where protection may be commercially advantageous, or we may financially not be able to protect our proprietary rights at all. Despite our efforts to protect our proprietary rights, unauthorized parties may be able to obtain and use information that we regard as proprietary. The issuance of a patent does not ensure that it is valid or enforceable, so even if we obtain patents, they may not be valid or enforceable against third parties. In addition, the issuance of a patent does not give us the right to practice the patented invention. Third parties may have blocking patents that could prevent us from marketing our own patented product and practicing our own patented technology. Third parties may also seek to market biosimilar versions of any approved products. Alternatively, third parties may seek approval to market their own products similar to or otherwise competitive with our products. In these circumstances, we may need to defend and/or assert our patents, including by filing lawsuits alleging patent infringement. In any of these types of proceedings, a court or agency with jurisdiction may find our patents invalid and/or unenforceable. Even if we have valid and enforceable patents, these patents still may not provide protection against competing products or processes sufficient to achieve our business objectives.

The patent position of pharmaceutical or biotechnology companies, including ours, is generally uncertain and involves complex legal and factual considerations for which legal principles remain unsolved. The standards which the United States Patent and Trademark Office, or USPTO, and its non-U.S. counterparts use to grant patents are not always applied predictably or uniformly and can change. There is also no uniform, worldwide policy regarding the subject matter and scope of claims granted or allowable in pharmaceutical or biotechnology patents. The laws of some non-U.S. countries do not protect proprietary information to the same extent as the laws of the United States, and many companies have encountered significant problems and costs in protecting their proprietary information in these non-U.S. countries. Outside the United States, patent protection must be sought in individual jurisdictions, further adding to the cost and uncertainty of obtaining adequate patent protection outside of the United States. Accordingly, we cannot predict whether additional patents protecting our technology will issue in the United States or in non-U.S. jurisdictions, or whether any patents that do issue will have claims of adequate scope to provide competitive advantage. Moreover, we cannot predict whether third parties will be able to successfully obtain claims or the breadth of such claims. The allowance of broader claims may increase the incidence and cost of patent interference proceedings, opposition proceedings, and/or reexamination proceedings, the risk of infringement litigation, and the vulnerability of the claims to challenge. On the other hand, the allowance of narrower claims does not eliminate the potential for adversarial proceedings, and may fail to provide a competitive advantage. Our issued patents may not contain claims sufficiently broad to protect us against third parties with similar technologies or products, or provide us with any competitive advantage.

We may become involved in lawsuits to protect or enforce our patents, which could be expensive, time consuming and unsuccessful.

Even after they have issued, our patents and any patents which we license may be challenged, narrowed, invalidated or circumvented. If our patents are invalidated or otherwise limited or will expire prior to the commercialization of our product candidates, other companies may be better able to develop products that compete with ours, which could adversely affect our competitive business position, business prospects and financial condition.

The following are examples of litigation and other adversarial proceedings or disputes that we could become a party to involving our patents or patents licensed to us:

- we or our collaborators may initiate litigation or other proceedings against third parties to enforce our patent rights;
- third parties may initiate litigation or other proceedings seeking to invalidate patents owned by or licensed to us or to obtain a declaratory judgment that their product or technology does not infringe our patents or patents licensed to us;

- third parties may initiate opposition or reexamination proceedings challenging the validity or scope of our patent rights, requiring us or our collaborators and/or licensors to participate in such proceedings to defend the validity and scope of our patents;
- there may be a challenge or dispute regarding inventorship or ownership of patents currently identified as being owned by or licensed to us;
- the U.S. Patent and Trademark Office may initiate an interference between patents or patent applications owned by or licensed to us and those of our competitors, requiring us or our collaborators and/or licensors to participate in an interference proceeding to determine the priority of invention, which could jeopardize our patent rights; or
- third parties may seek approval to market biosimilar versions of our future approved products prior to expiration of relevant patents owned by or licensed to us, requiring us to defend our patents, including by filing lawsuits alleging patent infringement.

These lawsuits and proceedings would be costly and could affect our results of operations and divert the attention of our managerial and scientific personnel. There is a risk that a court or administrative body would decide that our patents are invalid or not infringed by a third party's activities, or that the scope of certain issued claims must be further limited. An adverse outcome in a litigation or proceeding involving our own patents could limit our ability to assert our patents against these or other competitors, affect our ability to receive royalties or other licensing consideration from our licensees, and may curtail or preclude our ability to exclude third parties from making, using and selling similar or competitive products. Any of these occurrences could adversely affect our competitive business position, business prospects and financial condition.

The degree of future protection for our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- others may be able to develop a platform that is similar to, or better than, ours in a way that is not covered by the claims of our patents;
- others may be able to make compounds that are similar to our product candidates but that are not covered by the claims of our patents;
- we might not have been the first to make the inventions covered by patents or pending patent applications;
- we might not have been the first to file patent applications for these inventions;
- any patents that we obtain may not provide us with any competitive advantages or may ultimately be found invalid or unenforceable; or
- we may not develop additional proprietary technologies that are patentable.

Our commercial success depends significantly on our ability to operate without infringing the patents and other proprietary rights of third parties.

Our success will depend in part on our ability to operate without infringing the proprietary rights of third parties. Other entities may have or obtain patents or proprietary rights that could limit our ability to make, use, sell, offer for sale or import our future approved products or impair our competitive position.

Patents could be issued to third parties that we may ultimately be found to infringe. Third parties may have or obtain valid and enforceable patents or proprietary rights that could block us from developing product candidates using our technology. Our failure to obtain a license to any technology that we require may materially harm our business, financial condition and results of operations. Moreover, our failure to maintain a license to any technology that we require may also materially harm our business, financial condition, and results of operations. Furthermore, we would be exposed to a threat of litigation.

In the pharmaceutical industry, significant litigation and other proceedings regarding patents, patent applications, trademarks and other intellectual property rights have become commonplace. The types of situations in which we may become a party to such litigation or proceedings include:

- we or our collaborators may initiate litigation or other proceedings against third parties seeking to invalidate the patents held by those third parties or to obtain a judgment that our products or processes do not infringe those third parties' patents;
- if our competitors file patent applications that claim technology also claimed by us or our licensors, we or our licensors may be required to participate in interference or opposition proceedings to determine the priority of invention, which could jeopardize our patent rights and potentially provide a third party with a dominant patent position;
- if third parties initiate litigation claiming that our processes or products infringe their patent or other intellectual property rights, we and our collaborators will need to defend against such proceedings; and
- if a license to necessary technology is terminated, the licensor may initiate litigation claiming that our processes or products infringe or misappropriate their patent or other intellectual property rights and/or that we breached our obligations under the license agreement, and we and our collaborators would need to defend against such proceedings.

These lawsuits would be costly and could affect our results of operations and divert the attention of our management and scientific personnel. There is a risk that a court would decide that we or our collaborators are infringing the third party's patents and would order us or our collaborators to stop the activities covered by the patents. In that event, we or our collaborators may not have a viable alternative to the technology protected by the patent and may need to halt work on the affected product candidate or cease commercialization of an approved product. In addition, there is a risk that a court will order us or our collaborators to pay the other party damages. An adverse outcome in any litigation or other proceeding could subject us to significant liabilities to third parties and require us to cease using the technology that is at issue or to license the technology from third parties. We may not be able to obtain any required licenses on commercially acceptable terms or at all. Any of these outcomes could have a material adverse effect on our business.

The pharmaceutical and biotechnology industries have produced a significant number of patents, and it may not always be clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform or predictable. If we are sued for patent infringement, we would need to demonstrate that our products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid, and we may not be able to do this. Proving invalidity is difficult. For example, in the United States, proving invalidity requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. Even if we are successful in these proceedings, we may incur substantial costs and divert management's time and attention in pursuing these proceedings, which could have a material adverse effect on us. If we are unable to avoid infringing the patent rights of others, we may be required to seek a license, defend an infringement action or challenge the validity of the patents in court. Patent litigation is costly and time consuming. We may not have sufficient resources to bring these actions to a successful conclusion. In addition, if we do not obtain a license, develop or obtain non-infringing technology, fail to defend an infringement action successfully or have infringed patents declared invalid, we may incur substantial monetary damages, encounter significant delays in bringing our product candidates to market and be precluded from manufacturing or selling our product candidates.

The cost of any patent litigation or other proceeding, even if resolved in our favor, could be substantial. Some of our competitors may be able to sustain the cost of such litigation and proceedings more effectively than we can because of their substantially greater resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace. Patent litigation and other proceedings may also absorb significant management time.

If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition by potential partners or customers in our markets of interest. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected.

The patent protection and patent prosecution for some of our product candidates is dependent on third parties.

While we normally seek to obtain the right to control prosecution, maintenance and enforcement of the patents relating to our product candidates, there may be times when the filing and prosecution activities for patents relating to our product candidates are controlled by our licensors. This is the case under the terms of our license agreements with DKFZ and Xoma, where DKFZ and Xoma are entirely responsible for the prosecution, protection and maintenance of the licensed patents and patent applications. Neither DKFZ nor Xoma has any obligation to provide us any information with respect to such prosecution and we will not have access to any patent prosecution or maintenance information that is not publicly available. Although we monitor DKFZ's and Xoma's ongoing prosecution and maintenance of the licensed patents, if DKFZ, Xoma or any of our future licensing partners fail to prosecute, maintain and enforce such patents and patent applications in a manner consistent with the best interests of our business, including by payment of all applicable fees for patents covering AFM13, AFM11 or any of our product candidates, we could lose our rights to the intellectual property or our exclusivity with respect to those rights, our ability to develop and commercialize those product candidates may be adversely affected and we may not be able to prevent competitors from making, using, and selling competing products.

Our business may be adversely affected if we are unable to gain access to relevant intellectual property rights of third parties, or if our licensing partners terminate our rights in certain technologies that are licensed or sublicensed to us.

We currently rely, and may in the future rely, on certain intellectual property rights licensed from third parties in order to be able to use various proprietary technologies that are material to our business. For example, our TandAb technology was developed under certain patents licensed exclusively to us by DKFZ under a 2001 license agreement which was subsequently amended in 2006. Additionally, an antibody generated in the development of our TandAb candidates was developed using antibody phage display technologies licensed to us by Xoma. In each of these cases, the licensor retains their full ownership interest with respect to the licensed patent rights, and our rights to use the technologies associated with those patents and to employ the inventions claimed in the licensed patent rights are subject to the continuation of and our compliance with the terms of those licenses.

In some cases, we do not control the prosecution, maintenance or filing of the patents to which we hold licenses, and the enforcement of our licensed patents or defense of any claims asserting the invalidity of these patents is subject to the control or cooperation of our licensors. For example, DKFZ retains responsibility for the prosecution and maintenance of its patent rights licensed under the terms of its agreement with us, and Xoma retains the right, at its sole discretion, to enforce, maintain and otherwise protect its patent rights licensed to us pursuant to our 2006 license agreement with Xoma. We cannot be certain that our licensors will prosecute, maintain, enforce and defend the licensed patent rights in a manner consistent with the best interests of our business. We also cannot be certain that drafting or prosecution of the licensed patents by our licensors have been conducted in compliance with applicable laws and regulations and will result in valid and enforceable patents and other intellectual property rights.

We are a party to a number of agreements, including license agreements, through which we have gained rights to certain intellectual property that relate to our business and we expect to enter into additional such agreements in the future. Our existing agreements impose, and we expect that future agreements will impose, various diligence, commercialization, milestone payment, royalty, and other obligations on us. Certain of our licenses, including each of our licenses with DKFZ and Xoma, contain provisions that allow the licensor to terminate the license upon the occurrence of specific events or conditions. For example, our rights under each of the licenses described above are subject to our continued compliance with the terms of the licenses, certain diligence and development obligations, the payment of royalties, milestone payments and other fees, and certain disclosure and confidentiality obligations. If we are found to be in breach of any of our license agreements, in certain circumstances our licensors may take action against us, including by terminating the applicable license. Because of the complexity of our product candidates and the patents we have licensed, determining the scope of the licenses and related obligations may be difficult and could lead to disputes between us and the licensor. An unfavorable resolution of such a dispute could lead to an increase in the royalties payable pursuant to the license or a termination of the license. If any of our licensors were to terminate our license agreement with them, we may be prevented from the continued use of certain technologies, including our rights to the TandAb, Flexibody and antibody phage display technologies, in clinical trials or, if our products are approved for marketing, from using such technologies in the manufacturing of products that could be sold commercially. This could delay or prevent us from offering our product candidates. We might not have the necessary rights or the financial resources to develop, manufacture or market our current or future product candidates without the rights granted under these licenses, and the loss of sales or potential sales in such product candidates could have a material adverse effect on our business, financial condition, results of operations and prospects.

Under certain of our agreements, our licensors have the right to convert an exclusive license to a non-exclusive license upon the expiration of the initial exclusivity period or upon the occurrence of certain events. Such a conversion would potentially allow third parties to practice the technologies licensed under the agreement, and could materially adversely affect the value of the product candidate we are developing under the agreement.

In addition to the above risks, certain of our intellectual property rights are sublicenses under intellectual property owned by third parties. The actions of our licensors may therefore affect our rights to use our sublicensed intellectual property, even if we are in compliance with all of the obligations under our license agreements.

We may not be successful in obtaining or maintaining necessary rights to our product candidates through acquisitions and in-licenses.

We currently have rights to the intellectual property, through licenses from third parties and under patents that we own, to develop our product candidates. Because our programs may require the use of proprietary rights held by third parties, the growth of our business will likely depend in part on our ability to acquire, in-license, maintain or use these proprietary rights. In addition, our product candidates may require specific formulations to work effectively and efficiently and the rights to these formulations may be held by others. We may be unable to acquire or in-license any compositions, methods of use, processes, or other third-party intellectual property rights from third parties that we identify as necessary for our product candidates. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive. These established companies may have a competitive advantage over us due to their size, cash resources, and greater clinical development and commercialization capabilities.

For example, we sometimes collaborate with U.S. and non-U.S. academic institutions to accelerate our preclinical research or development under written agreements with these institutions. Typically, these institutions provide us with an option to negotiate a license to any of the institution’s rights in technology

resulting from the collaboration. Regardless of such option, we may be unable to negotiate a license within the specified timeframe or under terms that are acceptable to us. If we are unable to do so, the institution may offer the intellectual property rights to other parties, potentially blocking our ability to pursue our applicable product candidate or program.

In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment. If we are unable to successfully obtain a license to third-party intellectual property rights necessary for the development of a product candidate or program, we may have to abandon development of that product candidate or program and our business and financial condition could suffer.

If we are unable to protect the confidentiality of our proprietary information, the value of our technology and products could be adversely affected.

In addition to patent protection, we also rely on other proprietary rights, including protection of trade secrets, and other proprietary information. To maintain the confidentiality of trade secrets and proprietary information, we enter into confidentiality agreements with our employees, consultants, collaborators and others upon the commencement of their relationships with us. These agreements require that all confidential information developed by the individual or made known to the individual by us during the course of the individual's relationship with us be kept confidential and not disclosed to third parties. Our agreements with employees and our personnel policies also provide that any inventions conceived by the individual in the course of rendering services to us shall be our exclusive property. However, we may not obtain these agreements in all circumstances, and individuals with whom we have these agreements may not comply with their terms. Thus, despite such agreement, such inventions may become assigned to third parties. In the event of unauthorized use or disclosure of our trade secrets or proprietary information, these agreements, even if obtained, may not provide meaningful protection, particularly for our trade secrets or other confidential information. To the extent that our employees, consultants or contractors use technology or know-how owned by third parties in their work for us, disputes may arise between us and those third parties as to the rights in related inventions. To the extent that an individual who is not obligated to assign rights in intellectual property to us is rightfully an inventor of intellectual property, we may need to obtain an assignment or a license to that intellectual property from that individual, or a third party or from that individual's assignee. Such assignment or license may not be available on commercially reasonable terms or at all.

Adequate remedies may not exist in the event of unauthorized use or disclosure of our proprietary information. The disclosure of our trade secrets would impair our competitive position and may materially harm our business, financial condition and results of operations. Costly and time consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to maintain trade secret protection could adversely affect our competitive business position. In addition, others may independently discover or develop our trade secrets and proprietary information, and the existence of our own trade secrets affords no protection against such independent discovery.

As is common in the biotechnology and pharmaceutical industries, we employ individuals who were previously or concurrently employed at research institutions and/or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that these employees, or we, have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers, or that patents and applications we have filed to protect inventions of these employees, even those related to one or more of our product candidates, are rightfully owned by their former or concurrent employer. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

Obtaining and maintaining our patent protection depends on compliance with various procedural, documentary, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will be due to the USPTO and various non-U.S. patent offices at various points over the lifetime of our patents and/or applications. We have systems in place to remind us to pay these fees, and we rely on our outside counsel to pay these fees when due. Additionally, the USPTO and various non-U.S. patent offices require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with rules applicable to the particular jurisdiction. However, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If such an event were to occur, it could have a material adverse effect on our business. In addition, we are responsible for the payment of patent fees for patent rights that we have licensed from other parties. If any licensor of these patents does not itself elect to make these payments, and we fail to do so, we may be liable to the licensor for any costs and consequences of any resulting loss of patent rights.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting, and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States and Europe. In addition, the laws of some countries outside the United States and Europe, such as China, do not protect intellectual property rights to the same extent as federal and state laws in the United States and laws in Europe. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States and Europe, or from selling or importing products made using our inventions in and into the United States, Europe or other jurisdictions. As part of ordinary course prosecution and maintenance activities, we determine whether and in which countries to seek patent protection outside the United States and Europe. This also applies to patents we have acquired or in-licensed from third parties. In some cases this means that we, or our predecessors in interest or licensors of patents within our portfolio, have sought patent protection in a limited number of countries for patents covering our product candidates. Competitors may use our technologies in jurisdictions where we have not obtained or are unable to adequately enforce patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States and Europe. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in jurisdictions outside the United States and Europe. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets, and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents, the reproduction of our manufacturing or other know-how or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in jurisdictions outside the United States and Europe, whether or not successful, could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Certain of our employees and patents are subject to German law.

Approximately 40 of our personnel, including our managing directors, work in Germany and are subject to German employment law. Ideas, developments, discoveries and inventions made by such employees are subject to the provisions of the German Act on Employees' Inventions (*Gesetz über Arbeitnehmererfindungen*), which regulates the ownership of, and compensation for, inventions made by employees. We face the risk that disputes may occur between us and our employees or ex-employees pertaining to the sufficiency of compensation paid by us, allocation of rights to inventions under this act or alleged non-adherence to the provisions of this act, any of which may be costly to resolve and take up our management's time and efforts whether we prevail or fail in such dispute. In addition, under the German Act on Employees' Inventions, certain employees retain rights to patents they invented or co-invented prior to 2009. While we believe that all of our German employee inventors have subsequently assigned to us their interest in patents they invented or co-invented, there is a risk that the compensation we provided to them may be deemed to be insufficient, and we may be required under German law to increase the compensation due to such employees for the use of the patents. If we are required to pay additional compensation or face other disputes under the German Act on Employees' Inventions, our results of operations could be adversely affected.

If we do not obtain protection under the Hatch-Waxman Amendments and similar non-U.S. legislation for extending the term of patents covering each of our product candidates, our business may be materially harmed.

Depending upon the timing, duration and conditions of FDA marketing approval of our product candidates, one or more of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Amendments and similar legislation in the EU. The Hatch-Waxman Amendments permit a patent term extension of up to five years for a patent covering an approved product as compensation for effective patent term lost during product development and the FDA regulatory review process. However, we may not receive an extension if we fail to apply within applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements. Moreover, the length of the extension could be less than we request. If we are unable to obtain patent term extension or the term of any such extension is less than we request, the period during which we can enforce our patent rights for that product will be shortened and our competitors may obtain approval to market competing products sooner. As a result, our revenue from applicable products could be reduced, possibly materially.

Our information technology systems could face serious disruptions that could adversely affect our business.

Our information technology and other internal infrastructure systems, including corporate firewalls, servers, leased lines and connection to the Internet, face the risk of systemic failure that could disrupt our operations. A significant disruption in the availability of our information technology and other internal infrastructure systems could cause interruptions in our collaborations with our partners and delays in our research and development work.

Risks Related to Legal Compliance Matters

Because we and our suppliers are subject to environmental, health and safety laws and regulations, we may become exposed to liability and substantial expenses in connection with environmental compliance or remediation activities which may adversely affect our business and financial condition.

Our operations, including our research, development, testing and manufacturing activities, are subject to numerous environmental, health and safety laws and regulations. These laws and regulations govern, among other things, the controlled use, handling, release and disposal of, and the maintenance of a registry for, hazardous materials and biological materials, such as chemical solvents, human cells, carcinogenic compounds, mutagenic compounds and compounds that have a toxic effect on reproduction, laboratory procedures and exposure to blood-borne pathogens. If we fail to comply with such laws and regulations, we could be subject to fines or other sanctions.

As with other companies engaged in activities similar to ours, we face a risk of environmental liability inherent in our current and historical activities, including liability relating to releases of or exposure to hazardous or biological materials. Environmental, health and safety laws and regulations are becoming more stringent. We may be required to incur substantial expenses in connection with future environmental compliance or remediation activities, in which case, our production and development efforts may be interrupted or delayed and our financial condition and results of operations may be materially adversely affected.

The third parties with whom we contract to manufacture our product candidates are also subject to these and other environmental, health and safety laws and regulations. Liabilities they incur pursuant to these laws and regulations could result in significant costs or in certain circumstances, an interruption in operations, any of which could adversely impact our business and financial condition if we are unable to find an alternate supplier in a timely manner.

Our employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements and insider trading.

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with FDA or EMA regulations, to provide accurate information to the FDA or the EMA or intentional failures to report financial information or data accurately or to disclose unauthorized activities to us. Employee misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. We have adopted a code of conduct, but it is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant fines or other sanctions.

Risks Relating to Employee Matters and Managing Growth

Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on the research and development, clinical and business development expertise of our managing directors and other key employees. We have entered into multi-year executive agreements with our managing directors. If any of our managing directors or other key employees becomes unavailable to perform services for us, we may not be able to find a qualified replacement in a timely fashion, which could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. The contracts with the three managing directors run through September 30, 2015. We do not maintain any key man insurance for our managing directors at this time.

Recruiting and retaining qualified scientific, clinical, manufacturing and sales and marketing personnel will also be critical to our success. In addition, we will need to expand and effectively manage our managerial, operational, financial, development and other resources in order to successfully pursue our research, development and commercialization efforts for our existing and future product candidates. Furthermore, replacing managing directors and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize products. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition, we rely on consultants and advisors, including scientific

and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

We will need to grow our organization, specifically to expand our development, and regulatory capabilities, and we may experience difficulties in managing this growth, which could disrupt our operations.

We have 53 personnel, including those of AbCheck. As our development and commercialization plans and strategies develop, we expect to expand our employee base for development, regulatory, managerial, operational, sales, marketing, financial and other resources. Future growth would impose significant added responsibilities on members of management, including the need to identify, recruit, maintain, motivate and integrate additional employees. Also, our management may need to divert a disproportionate amount of their attention away from our day-to-day activities and devote a substantial amount of time to managing these growth activities. We may not be able to effectively manage the expansion of our operations which may result in weaknesses in our infrastructure, give rise to operational errors, loss of business opportunities, loss of employees and reduced productivity among remaining employees. Our expected growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of existing and additional product candidates. If our management is unable to effectively manage our expected growth, our expenses may increase more than expected, our ability to generate and/or grow revenue could be reduced and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize our product candidates and compete effectively with others in our industry will depend, in part, on our ability to effectively manage any future growth.

Risks Relating to Our Common Shares and this Offering

Our share price is likely to be volatile due to factors beyond our control and the market price of our common shares after this offering may drop below the price you pay.

You should consider an investment in our common shares as risky and invest only if you can withstand a significant loss and wide fluctuations in the market value of your investment. You may be unable to sell your common shares at or above the public offering price due to fluctuations in the market price of our common shares arising from changes in our operating performance or prospects. In addition, the stock market has recently experienced significant volatility, particularly with respect to pharmaceutical, biotechnology, and other life sciences company stocks. The volatility of pharmaceutical, biotechnology and other life sciences company stocks often does not relate to the operating performance of the companies represented by the stock. Some of the factors that may cause the market price of our common shares to fluctuate or decrease below the price paid in this offering include:

- results and timing of our clinical trials and clinical trials of our competitors' products;
- failure or discontinuation of any of our development programs;
- issues in manufacturing our product candidates or future approved products;
- regulatory developments or enforcement in the United States and non-U.S. countries with respect to our product candidates or our competitors' products;
- failure to achieve pricing and/or reimbursement;
- competition from existing products or new products that may emerge;
- developments or disputes concerning patents or other proprietary rights;
- introduction of technological innovations or new commercial products by us or our competitors;
- announcements by us, our collaborators or our competitors of significant acquisitions, strategic partnerships, joint ventures, collaborations or capital commitments;

- changes in estimates or recommendations by securities analysts, if any cover our common shares;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;
- public concern over our product candidates or any future approved products;
- litigation;
- future sales of our common shares;
- share price and volume fluctuations attributable to inconsistent trading volume levels of our shares;
- additions or departures of key personnel;
- changes in the structure of health care payment systems in the United States or overseas;
- failure of any of our product candidates, if approved, to achieve commercial success;
- economic and other external factors or other disasters or crises;
- period-to-period fluctuations in our financial condition and results of operations, including the timing of receipt of any milestone or other payments under commercialization or licensing agreements;
- general market conditions and market conditions for biopharmaceutical stocks; and
- overall fluctuations in U.S. equity markets.

In addition, in the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our shareholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit and divert the time and attention of our management, which could seriously harm our business.

There was no public market for our common shares prior to this offering, and an active market in the shares may not develop in which investors can resell our common shares.

Prior to this offering there was no public market for our common shares. We cannot predict the extent to which an active market for our common shares will develop or be sustained after this offering, or how the development of such a market might affect the market price for our common shares. The initial public offering price of our common shares in this offering was agreed between us and the underwriters based on a number of factors, including market conditions in effect at the time of the offering, which may not be indicative of the price at which our common shares will trade following completion of the offering. Investors may not be able to sell their common shares at or above the initial public offering price.

Certain of our existing shareholders will continue to own a majority of our common shares and as a result will be able to exercise significant control over us, and your interests may conflict with the interests of our existing shareholders.

After giving effect to (i) our corporate reorganization, (ii) the first tranche of the Series E Financing and (iii) this offering, our existing shareholders are expected to own approximately % of our common shares in the aggregate. Depending on the level of attendance at our general meetings of shareholders, these shareholders as a group may be in a position to determine the outcome of decisions taken at any such general meeting. Any shareholder or group of shareholders controlling more than 50% of the capital present or represented by independent proxy and voting at our general meetings of shareholders may control any shareholder resolution requiring a simple majority, including the election of our managing directors and supervisory directors, certain decisions relating to our capital structure, the approval of certain significant corporate transactions and amendments to our Articles of Association. To the extent that the interests of these shareholders may differ from the interests of our other shareholders, the latter may be disadvantaged by any action that these shareholders may seek to pursue. Among other consequences, this concentration of ownership may have the effect of delaying or preventing a change in control and might therefore negatively affect the market price of our common shares.

Future sales, or the possibility of future sales, of a substantial number of our common shares could adversely affect the price of the shares and dilute shareholders.

Future sales of a substantial number of our common shares, or the perception that such sales will occur, could cause a decline in the market price of our common shares. Following the completion of this offering and based on the midpoint of the price range stated on the front cover of this prospectus, we will have common shares outstanding (assuming no exercise of the underwriters' option to purchase additional shares). See "Corporate Reorganization." This includes the common shares sold in this offering, which may be resold in the public market immediately without restriction, unless purchased by our affiliates. Approximately % of the common shares outstanding after this offering are expected to be held by existing shareholders. All of these common shares will be subject to the lock-up agreements described in the "Underwriting" section of this prospectus. If, after the end of such lock-up agreements, these shareholders sell substantial amounts of common shares in the public market, or the market perceives that such sales may occur, the market price of our common shares and our ability to raise capital through an issue of equity securities in the future could be adversely affected.

We also intend to enter into a registration rights agreement upon consummation of this offering pursuant to which we will agree under certain circumstances to file a registration statement to register the resale of the common shares held by certain of our existing shareholders, as well as to cooperate in certain public offerings of such common shares. In addition, following the completion of this offering, we intend to cease any new grants under our existing equity incentive plans and to adopt a new omnibus equity incentive plan under which we would have the discretion to grant a broad range of equity-based awards to eligible participants. We intend to register all common shares that we may issue under this equity compensation plan. Once we register these common shares, they can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates and the lock-up agreements described in the "Underwriting" section of this prospectus. If a large number of shares of our common shares or securities convertible into our common shares are sold in the public market after they become eligible for sale, the sales could reduce the trading price of our common shares and impede our ability to raise future capital.

If you purchase common shares in this offering, you will suffer immediate dilution of your investment.

The initial public offering price of our common shares is substantially higher than the as adjusted net tangible book value per common share. Therefore, if you purchase common shares in this offering, you will pay a price per common share that substantially exceeds our as adjusted net tangible book value per common share after this offering. To the extent outstanding options are exercised, you will incur further dilution. Based on the assumed initial public offering price of $ per common share, which is the midpoint of the price range set forth on the cover page of this prospectus, you will experience immediate dilution of $ (€) per common share, representing the difference between our pro forma as adjusted net tangible book value per common share after giving effect to (i) our corporate reorganization, (ii) the first tranche of the Series E Financing and (iii) this offering and the assumed initial public offering price. In addition, purchasers of common shares in this offering will have contributed approximately % of the aggregate price paid by all purchasers of our common shares but will own only approximately % of our common shares outstanding after this offering. See "Dilution."

We will be a foreign private issuer and, as a result, we will not be subject to U.S. proxy rules and will be subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.

Upon consummation of this offering, we will report under the Securities Exchange Act of 1934, as amended, or the Exchange Act, as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act and although we are subject to Dutch laws and regulations with regard to such matters and intend to furnish quarterly financial information to the SEC, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including

(i) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act, (ii) the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time and (iii) the rules under the Exchange Act requiring the filing with the Securities and Exchange Commission (SEC) of quarterly reports on Form 10-Q containing unaudited financial and other specified information, or current reports on Form 8-K, upon the occurrence of specified significant events. In addition, foreign private issuers are not required to file their annual report on Form 20-F until four months after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers are also exempt from the Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information. Further, as a foreign private issuer, we also are permitted to disclose the annual compensation of our managing directors on an aggregate rather than an individual basis since Dutch law does not require us to disclose, and we have not otherwise disclosed, our managing director compensation on an individual basis. As a result of the above, you may not have the same protections afforded to shareholders of companies that are not foreign private issuers.

As a foreign private issuer and as permitted by the listing requirements of Nasdaq, we will follow certain home country governance practices rather than the corporate governance requirements of the Nasdaq.

We will be a foreign private issuer. As a result, in accordance with the listing requirements of The Nasdaq Global Market, or Nasdaq, we will follow home country governance requirements and certain exemptions thereunder rather than comply with the corporate governance requirements of Nasdaq. In accordance with Dutch law and generally accepted business practices, our Articles of Association do not provide quorum requirements generally applicable to general meetings of shareholders in the United States. To this extent, our practice varies from the requirement of Nasdaq Listing Rule 5620(c), which requires an issuer to provide in its bylaws for a generally applicable quorum, and that such quorum may not be less than one-third of the outstanding voting stock. Although we must provide shareholders with an agenda and other relevant documents for the general meeting of shareholders, Dutch law does not have a regulatory regime for the solicitation of proxies and the solicitation of proxies is not a generally accepted business practice in the Netherlands, thus our practice will vary from the requirement of Nasdaq Listing Rule 5620(b). As permitted by the listing requirements of Nasdaq, we have also opted out of the requirements of Nasdaq Listing Rule 5605(d), which requires, inter alia, an issuer to have a compensation committee that consists entirely of independent directors, and Nasdaq Listing Rule 5605(e), which requires independent director oversight of director nominations. We will also rely on the phase-in rules of the SEC and Nasdaq with respect to the independence of our audit committee. These rules require that a majority of our supervisory directors must be independent and all members of our audit committee must meet the independence standard for audit committee members within one year of the effectiveness of the registration statement of which this prospectus forms a part. Upon the closing of this offering, our audit committee is expected to have three members, but between the effectiveness of the registration statement of which this prospectus forms a part and the closing of the offering, our audit committee will only have one member in a deviation from Nasdaq Listing Rule 5605(c)(2)(A) that is permitted because it is not prohibited by Dutch law. Following the closing of this offering, we will satisfy Nasdaq Listing Rule 5605(c)(2)(A), subject to the phase-in rule cited above. In addition, we have opted out of shareholder approval requirements, as included in the Nasdaq Listing Rules, for the issuance of securities in connection with certain events such as the acquisition of stock or assets of another company, the establishment of or amendments to equity-based compensation plans for employees, a change of control of us and certain private placements. To this extent, our practice varies from the requirements of Nasdaq Rule 5635, which generally requires an issuer to obtain shareholder approval for the issuance of securities in connection with such events. For an overview of our corporate governance principles, see “Description of Share Capital and Articles of Association—Comparison of Dutch Corporate Law and our Articles of Association and U.S. Corporate Law—Corporate Governance.” Accordingly, you may not have the same protections afforded to shareholders of companies that are subject to these Nasdaq requirements.

We may lose our foreign private issuer status which would then require us to comply with the Exchange Act's domestic reporting regime and cause us to incur significant legal, accounting and other expenses.

We are a foreign private issuer as of the effective date of this offering and therefore we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. We may no longer be a foreign private issuer as of June 30, 2015 (the end of our second fiscal quarter in the fiscal year after this offering), which would require us to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers as of January 1, 2016. In order to maintain our current status as a foreign private issuer, either (a) a majority of our common shares must be either directly or indirectly owned of record by non-residents of the United States or (b)(i) a majority of our managing directors or supervisory directors may not be United States citizens or residents, (ii) more than 50 percent of our assets cannot be located in the United States and (iii) our business must be administered principally outside the United States. If we were to lose this status, we would be required to comply with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers. We may also be required to make changes in our corporate governance practices in accordance with various SEC and stock exchange rules. The regulatory and compliance costs to us under U.S. securities laws if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer may be significantly higher than the cost we would incur as a foreign private issuer. As a result, we expect that a loss of foreign private issuer status would increase our legal and financial compliance costs and would make some activities highly time consuming and costly. We also expect that if we were required to comply with the rules and regulations applicable to U.S. domestic issuers, it would make it more difficult and expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These rules and regulations could also make it more difficult for us to attract and retain qualified supervisory directors.

We are an "emerging growth company," and we cannot be certain if the reduced reporting requirements applicable to "emerging growth companies" will make our common shares less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act. For as long as we continue to be an "emerging growth company," we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies," including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. As an "emerging growth company" in our initial registration statement we are required to report only two years of financial results and selected financial data compared to three and five years, respectively, for comparable data reported by other public companies. We could be an "emerging growth company" for up to five years, although circumstances could cause us to lose that status earlier, including if the market value of our common shares held by non-affiliates exceeds $700 million as of any June 30 (the end of our second fiscal quarter) before that time, in which case we would no longer be an "emerging growth company" as of the following December 31 (our fiscal year end). We cannot predict if investors will find our common shares less attractive because we may rely on these exemptions. If some investors find our common shares less attractive as a result, there may be a less active trading market for our common shares and the price of our common shares may be more volatile.

We do not anticipate paying cash dividends, and accordingly, shareholders must rely on stock appreciation for any return on their investment.

We currently intend to retain our future earnings, if any, to fund the development and growth of our businesses. As a result, capital appreciation, if any, of our common shares will be your sole source of gain on your investment for the foreseeable future. Investors seeking cash dividends should not invest in our common shares.

Future issuances of our common shares or rights to purchase common shares pursuant to our equity incentive plans or outstanding warrants could result in additional dilution of the percentage ownership of our shareholders and could cause our share price to fall.

As of the closing of this offering we will have options to purchase shares outstanding under our equity compensation plans. We will also be authorized to grant equity awards, including stock options, to our employees, directors and consultants, covering up to 6% of our total common shares outstanding on the date of the adoption of our new equity incentive plan, which is expected to be the date of the closing of this offering, pursuant to the plan. We plan to register the number of shares available for issuance or subject to outstanding awards under our equity compensation plans after the completion of this offering.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our share price and trading volume could decline.

The trading market for our common shares will depend on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. We cannot assure you that analysts will cover us or provide favorable coverage. If one or more of the analysts who cover us downgrade our stock or change their opinion of our stock, our share price would likely decline. If one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

Upon the consummation of this offering, we will be a Dutch public company with limited liability. The rights of our shareholders may be different from the rights of shareholders in companies governed by the laws of U.S. jurisdictions and may not protect investors in a similar fashion afforded by incorporation in a U.S. jurisdiction.

Upon the consummation of this offering, we will be a Dutch public company with limited liability (*naamloze vennootschap*) organized under the laws of the Netherlands. Our corporate affairs are governed by our Articles of Association and by the laws governing companies incorporated in the Netherlands. A further summary of applicable Dutch company law is contained in this prospectus under “Description of Share Capital and Articles of Association.” However, there can be no assurance that Dutch law will not change in the future or that it will serve to protect investors in a similar fashion afforded under corporate law principles in the United States, which could adversely affect the rights of investors.

The rights of shareholders and the responsibilities of managing directors and supervisory directors may be different from the rights and obligations of shareholders and board members in companies governed by the laws of U.S. jurisdictions. In the performance of its duties, our management board and supervisory board are required by Dutch law to consider the interests of our company, its shareholders, its employees and other stakeholders, in all cases with due observation of the principles of reasonableness and fairness. It is possible that some of these parties will have interests that are different from, or in addition to, your interests as a shareholder. See “Description of Share Capital and Articles of Association—Comparison of Dutch Corporate Law and our Articles of Association and U.S. Corporate Law—Corporate Governance.”

For more information, we have provided summaries of relevant Dutch corporation law and of our Articles of Association under “Description of Share Capital and Articles of Association.”

Provisions of our Articles of Association or Dutch corporate law might deter acquisition bids for us that might be considered favorable and prevent or frustrate any attempt to replace or remove the then management board and supervisory board.

Certain provisions of our Articles of Association may make it more difficult for a third party to acquire control of us or effect a change in our management board or supervisory board. These provisions include: the authorization of a class of preference shares that may be issued to a friendly party; staggered four-year terms of our supervisory directors; a provision that our managing directors and supervisory directors may only be removed by the general

meeting of shareholders by a two-thirds majority of votes cast representing more than 50% of our outstanding share capital (unless the removal was proposed by the supervisory board); and a requirement that certain matters, including an amendment of our Articles of Association, may only be brought to our shareholders for a vote upon a proposal by our management board that has been approved by our supervisory board.

Our anti-takeover provision may prevent a beneficial change of control.

We have adopted an anti-takeover measure pursuant to which our management board may, subject to supervisory board approval but without shareholder approval, issue (or grant the right to acquire) cumulative preferred shares. We may issue an amount of cumulative preferred shares up to 100% of our issued capital immediately prior to the issuance of such cumulative preferred shares. In such event, the cumulative preferred shares (or right to acquire cumulative preferred shares) will be issued to a separate, newly established foundation which will be structured to operate independently of us. Such a measure has the effect of making a takeover of us more difficult or less attractive and as a result, our shareholders may be unable to benefit from a change of control and realize any potential change of control premium which may materially and adversely affect the market price of our common shares.

The cumulative preferred shares will be issued to the foundation for their nominal value, of which only 25% will be due upon issuance. The voting rights of our shares are based on nominal value and as we expect our shares to trade substantially in excess of nominal value, cumulative preferred shares issued at nominal value can obtain significant voting power for a substantially reduced price and thus be used as a defensive measure. These cumulative preferred shares will have both a liquidation and dividend preference over our common shares and will accrue cash dividends at a fixed rate. The management board may issue these cumulative preferred shares to protect us from influences that do not serve our best interests and threaten to undermine our continuity, independence and identity. These influences may include a third party acquiring a significant percentage of our common shares, the announcement of a public offer for our common shares, other concentration of control over our common shares or any other form of pressure on us to alter our strategic policies. If the management board determines to issue the cumulative preferred shares to such a foundation, the foundation's articles of association will provide that it will act to serve the best interests of us, our associated business and all parties connected to us, by opposing any influences that conflict with these interests and threaten to undermine our continuity, independence and identity.

We are not obligated to and do not comply with all the best practice provisions of the Dutch Corporate Governance Code. This may affect your rights as a shareholder.

As a Dutch company we are subject to the Dutch Corporate Governance Code, or DCGC. The DCGC contains both principles and best practice provisions that regulate relations between the management board, the supervisory board and the shareholders (i.e. the general meeting of shareholders). The DCGC is based on a "comply or explain" principle. Accordingly, companies are required to disclose in their annual reports, filed in the Netherlands, whether they comply with the provisions of the DCGC. If they do not comply with those provisions (e.g., because of a conflicting Nasdaq requirement), the company is required to give the reasons for such non-compliance.

The DCGC applies to all Dutch companies listed on a government-recognized stock exchange, whether in the Netherlands or elsewhere, including Nasdaq. We do not comply with all the best practice provisions of the DCGC. For example, the DCGC states that all supervisory board members need to be independent (a term that is defined in the DCGC), with the exception of one. We have more than one supervisory director that is deemed not independent under the rule of the DCGC. For a complete list of these DCGC best practices that we do not comply with, see "Description of Share Capital and Articles of Association." This may affect your rights as a shareholder and you may not have the same level of protection as a shareholder in a Dutch company that fully complies with the DCGC.

Claims of U.S. civil liabilities may not be enforceable against us.

We are incorporated under the laws of the Netherlands, and our headquarters are located in Germany. Substantially all of our assets are located outside the United States. The majority of our managing directors and supervisory directors reside outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or to enforce against them or us in U.S. courts, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

The United States and the Netherlands currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the party in whose favor a final and conclusive judgment of the U.S. court has been rendered will be required to file its claim with a court of competent jurisdiction in the Netherlands. Such party may submit to the Dutch court the final judgment rendered by the U.S. court. If and to the extent that the Dutch court finds that the jurisdiction of the U.S. court has been based on grounds which are internationally acceptable and that proper legal procedures have been observed, the court of the Netherlands will, in principle, give binding effect to the judgment of the U.S. court, unless such judgment contravenes principles of public policy of the Netherlands. Dutch courts may deny the recognition and enforcement of punitive damages or other awards. Moreover, a Dutch court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages. In addition, there is doubt as to whether a Dutch court would impose civil liability on us, our managing directors or supervisory directors or certain experts named herein in an original action predicated solely upon the U.S. federal securities laws brought in a court of competent jurisdiction in the Netherlands against us or such directors or experts, respectively. Enforcement and recognition of judgments of U.S. courts in the Netherlands are solely governed by the provisions of the Dutch Civil Procedure Code.

The United States and Germany currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in Germany. German courts may deny the recognition and enforcement of a judgment rendered by a U.S. court if they consider the U.S. court not to be competent or the decision not in line with German public policy principles. For example, recognition of court decisions based on class actions brought in the United States typically raises public policy concerns and judgments awarding punitive damages are generally not enforceable in Germany.

In addition, actions brought in a German court against us, our managing directors or supervisory directors, our senior management and the experts named herein to enforce liabilities based on U.S. federal securities laws may be subject to certain restrictions. In particular, German courts generally do not award punitive damages. Litigation in Germany is also subject to rules of procedure that differ from the U.S. rules, including with respect to the taking and admissibility of evidence, the conduct of the proceedings and the allocation of costs. Proceedings in Germany would have to be conducted in the German language and all documents submitted to the court would, in principle, have to be translated into German. For these reasons, it may be difficult for a U.S. investor to bring an original action in a German court predicated upon the civil liability provisions of the U.S. federal securities laws against us, our managing directors or supervisory directors, our senior management and the experts named in this prospectus.

Based on the lack of a treaty as described above, U.S. investors may not be able to enforce against us or managing directors or supervisory directors, officers or certain experts named herein who are residents of the Netherlands, Germany, or other countries other than the United States any judgments obtained in U.S. courts in civil and commercial matters, including judgments under the U.S. federal securities laws.

In the past, we have identified material weaknesses in our internal control over financial reporting. If we fail to implement effective internal controls or remedy the material weaknesses in our internal controls that we have identified, such failure could result in material misstatements in our financial statements, cause investors to lose confidence in our reported financial and other public information and have a negative effect on the trading price of our common shares.

Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. Section 404 of the Sarbanes-Oxley Act of 2002 requires management of public companies to develop and implement internal controls over financial reporting and evaluate the effectiveness thereof. A material weakness is a deficiency or a combination of deficiencies in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis. In connection with the preparation of this offering, we identified material weaknesses in our internal controls related to deficiencies in our design and operating effectiveness of internal controls, in our financial reporting processes and in our controls related to management's review of our financial results. If we do not remediate these issues or if we fail to design and operate effective internal controls in the future, it could result in material misstatements in our financial statements, impair our ability to raise revenue, result in the loss of investor confidence in the reliability of our financial statements and subject us to regulatory scrutiny and sanctions, which in turn could harm the market value of our common shares.

We will be required to disclose changes made in our internal controls and procedures and our management will be required to assess the effectiveness of these controls annually. However, for as long as we are an "emerging growth company" under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal controls over financial reporting pursuant to Section 404. We could be an "emerging growth company" for up to five years. An independent assessment of the effectiveness of our internal controls could detect problems that our management's assessment might not. Undetected material weaknesses in our internal controls could lead to financial statement restatements and require us to incur the expense of remediation.

We may be classified as a "passive foreign investment company" (a "PFIC") in 2014 or any future years. U.S. investors may suffer adverse U.S. federal income tax consequences if we are a PFIC for any taxable year.

Under the Internal Revenue Code of 1986, as amended, we will be a PFIC for any taxable year in which, after the application of certain "look-through" rules with respect to subsidiaries, either (i) 75% or more of our gross income consists of "passive income," or (ii) 50% or more of the average quarterly value of our assets consist of assets that produce, or are held for the production of, "passive income." Passive income generally includes interest, dividends, rents, certain non-active royalties and capital gains. Whether we will be a PFIC in 2014 or any future years is uncertain because (i) we currently own, and will own after the completion of this offering, a substantial amount of passive assets, including cash, and (ii) the valuation of our assets that generate non-passive income for PFIC purposes, including our intangible assets, is uncertain and may vary substantially over time. Accordingly, there can be no assurance that we will not be a PFIC in 2014 or any future years.

If we are a PFIC for any taxable year during which a U.S. investor holds common shares, we generally would continue to be treated as a PFIC with respect to that U.S. investor for all succeeding years during which the U.S. investor holds common shares, even if we ceased to meet the threshold requirements for PFIC status. Such a U.S. investor may be subject to adverse tax consequences, including (i) the treatment of all or a portion of any gain on disposition as common income, (ii) the application of a deferred interest charge on such gain and the receipt of certain dividends and (iii) compliance with certain reporting requirements. We

do not intend to provide the information that would enable investors to take a qualified electing fund ("QEF") election that could mitigate the adverse U.S. federal income tax consequences should we be classified as a PFIC.

For further discussion of the adverse U.S. federal income tax consequences if we are classified as a PFIC, see "Taxation—U.S. Federal Income Tax Considerations."

MARKET AND INDUSTRY DATA

This prospectus contains industry, market, and competitive position data that are based industry publications and studies conducted by third parties as well as our own internal estimates and research. These industry publications and third-party studies generally state that the information that they contain has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe our internal research is reliable and the definition of our market and industry are appropriate, neither such research nor these definitions have been verified by any independent source.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains statements that constitute forward-looking statements. Many of the forward-looking statements contained in this prospectus can be identified by the use of forward-looking words such as “anticipate,” “believe,” “could,” “expect,” “should,” “plan,” “intend,” “estimate” and “potential,” among others.

Forward-looking statements appear in a number of places in this prospectus and include, but are not limited to, statements regarding our intent, belief or current expectations. Forward-looking statements are based on our management’s beliefs and assumptions and on information currently available to our management. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to of various factors, including, but not limited to, those identified under the section entitled “Risk Factors” in this prospectus. These risks and uncertainties include factors relating to:

- our operation as a development stage company with limited operating history and a history of operating losses; as of June 30, 2014, our accumulated deficit was €102.0 million;
- the chance our clinical trials may not be successful and clinical results may not reflect results seen in previously conducted preclinical studies and clinical trials;
- our reliance on contract manufacturers and contract research organizations over which we have limited control;
- our lack of adequate funding to complete development of our product candidates and the risk we may be unable to access additional capital on reasonable terms or at all to complete development and begin commercialization of our product candidates;
- our dependence on the success of AFM13 and AFM11, which are still in clinical development and may eventually prove to be unsuccessful;
- uncertainty surrounding whether any of our product candidates will receive regulatory approval, which is necessary before they can be commercialized;
- the chance that we may become exposed to costly and damaging liability claims resulting from the testing of our product candidates in the clinic or in the commercial stage;
- if our product candidates obtain regulatory approval, our being subject to expensive ongoing obligations and continued regulatory overview;
- enacted and future legislation may increase the difficulty and cost for us to obtain marketing approval and commercialization;
- the chance that our products may not gain market acceptance, in which case we may not be able to generate product revenues;
- our reliance on our current strategic relationships with the DKFZ, Xoma, LLS, Amphivena and Amphivena’s other investors and partners, including MPM Capital, Aeris Capital and Janssen, and the potential failure to enter into new strategic relationships;
- our reliance on third parties to conduct our nonclinical and clinical trials and on third-party single-source suppliers to supply or produce our product candidates;
- our future growth and ability to compete, which depends on our retaining key personnel and recruiting additional qualified personnel; and
- other risk factors discussed under “Risk Factors.”

Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

USE OF PROCEEDS

We estimate that the net proceeds to us from the offering will be approximately $ million, assuming an initial public offering price of $ per common share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and offering expenses payable by us. Each $1.00 increase (decrease) in the assumed initial public offering price of $ per common share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our net proceeds, assuming that the number of common shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and offering expenses, by $ million. If the underwriters exercise in full their option to purchase additional shares, we estimate that the net proceeds from this offering will be approximately $ million.

As of June 30, 2014, we had cash and cash equivalents of €1.8 million. We intend to use the net proceeds from this offering, together with our cash and cash equivalents and the proceeds from the first tranche of the Series E Financing, as follows:

- approximately $ to fund research and development expenses for AFM13, including phase 2a trials of AFM13 for the treatment of HL and one additional study for the treatment of other forms of CD30+ malignancies, as well as CMC (chemistry, manufacturing and control) work in preparation for a potential pivotal trial of AFM13 for the treatment of HL;
- approximately $ to fund research and development expenses for AFM11, including phase 1 trials of AFM11 for the treatment of NHL and ALL;
- approximately $ to fund research and development expenses for AFM21, including preclinical development of AFM21;
- the remainder to fund other research and development activities, for working capital and general corporate purposes.

Our expected use of net proceeds from this offering represents our current intentions based upon our present plans and business condition. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the net proceeds to be received upon the completion of this offering or the amounts that we will actually spend on the uses set forth above. The amounts and timing of our actual use of net proceeds will vary depending on numerous factors, including our ability to obtain additional financing, the relative success and cost of our research, preclinical and clinical development programs, including a change in our planned course of development or the termination of a clinical program necessitated by the results of data received from clinical trials, the amount and timing of additional revenues, if any, received from our collaborations with Amphivena and LLS and whether we enter into future collaborations. As a result, management will have broad discretion in the application of the net proceeds, and investors will be relying on our judgment regarding the application of the net proceeds of this offering. In addition, we might decide to postpone or not pursue other clinical trials or preclinical activities if the net proceeds from this offering and our other sources of cash are less than expected.

Based on our planned use of the net proceeds of this offering and our current cash and cash equivalents described above, we estimate that such funds will be sufficient to enable us to fund our operating expenses and capital expenditure requirements for at least the next months. We have based these estimates on assumptions that may prove to be incorrect, and we could use our available capital resources sooner than we currently expect.

Pending their use, we plan to invest the net proceeds from this offering in short- and intermediate-term interest-bearing financial assets and certificates of deposit.

DIVIDEND POLICY

We have never paid or declared any cash dividends on our common shares, and we do not anticipate paying any cash dividends on our common shares in the foreseeable future. We intend to retain all available funds and any future earnings to fund the development and expansion of our business. Under Dutch law, we may only pay dividends if our shareholders' equity (*eigen vermogen*) exceeds the sum of the paid-up and called-up share capital plus the reserves required to be maintained by Dutch law or by our Articles of Association. Subject to such restrictions, any future determination to pay dividends will be at the discretion of our supervisory board and will depend upon a number of factors, including our results of operations, financial condition, future prospects, contractual restrictions, restrictions imposed by applicable law and other factors our supervisory board deems relevant.

CORPORATE REORGANIZATION

Affimed Therapeutics B.V. is a Dutch private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) that was formed for the purpose of making this offering. Upon the formation of Affimed Therapeutics B.V., Stichting Affimed Therapeutics, a Dutch foundation established for this purpose, became the sole shareholder of Affimed Therapeutics B.V., holding one common share in the capital of Affimed Therapeutics B.V. Pursuant to the terms of a corporate reorganization that will be completed prior to the consummation of this offering, all of the interests in Affimed Therapeutics AG will be exchanged for newly issued common shares of Affimed Therapeutics B.V., and as a result, Affimed Therapeutics AG will become a wholly owned subsidiary of Affimed Therapeutics B.V. In connection with such exchange, the common share in Affimed Therapeutics B.V. held by Stichting Affimed Therapeutics will be cancelled. Subsequently, Affimed Therapeutics B.V. will convert into a Dutch public company with limited liability and change its name to Affimed N.V. Therefore, investors in this offering will only acquire, and this prospectus only describes the offering of, common shares of Affimed N.V. We refer to the reorganization pursuant to which Affimed Therapeutics B.V. will acquire all of the interests in Affimed Therapeutics AG in exchange for common shares of Affimed Therapeutics B.V. and the subsequent conversion of Affimed Therapeutics B.V. into Affimed N.V as our “corporate reorganization.”

The corporate reorganization will take place in several steps, all of which will be completed prior to the consummation of this offering:

Exchange of Affimed Therapeutics AG shares for Affimed Therapeutics B.V. shares

As of the date of this prospectus, the share capital of Affimed Therapeutics AG is divided into Series D preferred shares, Series E preferred shares and common shares. Subsequent to the pricing of this offering, as the initial step of our corporate reorganization, the existing shareholders of Affimed Therapeutics AG will enter into a Notarial Deed of Issue, or the Notarial Deed, pursuant to which they will subscribe for common shares in Affimed Therapeutics B.V. and agree to contribute and transfer their shares in Affimed Therapeutics AG to Affimed Therapeutics B.V. in consideration therefor. The implementation of the corporate reorganization will be conditional upon the execution of the Notarial Deed.

Simultaneously with the issuance of the common shares of Affimed Therapeutics B.V. to the existing shareholders of Affimed Therapeutics AG, the common share in Affimed Therapeutics B.V. held by Stichting Affimed Therapeutics will be cancelled. In fulfillment of their obligation to pay for the common shares of Affimed Therapeutics B.V. issued to them, the existing shareholders of Affimed Therapeutics AG will transfer thereafter their Series D preferred shares, Series E preferred shares and common shares in Affimed Therapeutics AG to Affimed Therapeutics B.V. As a result thereof, Affimed Therapeutics B.V. will become the sole shareholder of Affimed Therapeutics AG.

In conjunction with the corporate reorganization, the outstanding awards granted under the Stock Option Equity Incentive Plan 2007, which we refer to as the 2007 SOP, will be converted into awards exercisable for common shares of Affimed N.V. See “Management—Stock Option Equity Incentive Plan 2007.”

Shares of Affimed Therapeutics B.V. to be Outstanding After the Corporate Reorganization

The ratio for the exchange of the Series D preferred shares and common shares of Affimed Therapeutics AG into common shares of Affimed Therapeutics B.V., and the conversion of the outstanding 2007 SOP awards into awards exercisable for common shares of Affimed N.V., will be determined based on the final price per share in this offering. Pursuant to the Series E Financing, in conjunction with this offering the price per Series E preferred share issued in the first tranche of the Series E Financing must be adjusted to be 80% of the low end of the price range for this offering printed on the cover page of this prospectus. This adjustment will be effected through the ratio for the exchange of the Series E preferred shares of Affimed Therapeutics AG into common shares of Affimed Therapeutics B.V. See “Related Party Transactions—2014 Series E Preferred Share Financing.”

Assuming an initial public offering price of $ per common share, which is the midpoint of the price range set forth on the cover page of this prospectus, securities of Affimed Therapeutics AG will be exchanged for common shares of Affimed Therapeutics B.V. according to the following ratios:

- common shares and Series D preferred shares will be exchanged on a one-to- ratio; and
- Series E preferred shares will be exchanged on a one-to- ratio.

The conversion of the outstanding 2007 SOP awards into awards exercisable for common shares of Affimed N.V. will occur on a one-to- basis.

Therefore, upon consummation of the corporate reorganization and conversion of the outstanding 2007 SOP awards (and prior to the consummation of this offering), assuming an initial public offering price of $ per common share, the current shareholders of Affimed Therapeutics AG will hold an aggregate of common shares of Affimed N.V. and there will be awards outstanding under the 2007 SOP that are exercisable for common shares of Affimed N.V. In the event of a $1.00 increase in the assumed initial public offering price per common share to $ per common share, the current shareholders of Affimed Therapeutics AG will hold an aggregate of common shares of Affimed N.V. and there will be awards outstanding under the 2007 SOP that are exercisable for common shares of Affimed N.V. In the event of a $1.00 decrease in the assumed initial public offering price per common share to $ per common share, the current shareholders of Affimed Therapeutics AG will hold an aggregate of common shares of Affimed N.V. and there will be awards outstanding under the 2007 SOP that are exercisable for common shares of Affimed N.V.

Conversion of Affimed Therapeutics B.V. into Affimed N.V.

In the final step of our corporate reorganization, the legal form of Affimed Therapeutics B.V. will be converted from a Dutch private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) to a Dutch public company with limited liability (*naamloze vennootschap*), and the articles of association will be amended. Such conversion will take place by means of the execution of a Deed of Conversion and Amendment, which will take place prior to the consummation of this offering and will result in a name change into Affimed N.V. and the implementation of the new Articles of Association of Affimed N.V., which Articles of Association are further described in the section “Description of Share Capital and Articles of Association” and are filed as an exhibit to the registration statement of which this prospectus forms a part.

CAPITALIZATION

The table below sets forth our cash and cash equivalents and our total capitalization (defined as total debt and equity) as of June 30, 2014:

- on an actual basis;
- on a pro forma basis to give effect to (i) the consummation of the first tranche of our Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing and (iii) our corporate reorganization;
- on a pro forma as adjusted basis to give effect to (i) the consummation of the first tranche of our Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing, (iii) our corporate reorganization and (iv) our issuance and sale of common shares in this offering.

The pro forma and pro forma as adjusted calculations assume an initial public offering price of $ per common share, which is the midpoint of the price range set forth on the cover page of this prospectus, and in the case of the pro forma as adjusted calculations, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Investors should read this table in conjunction with our consolidated financial statements included in this prospectus as well as “Use of Proceeds,” “Selected Consolidated Financial and Other Information,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Corporate Reorganization” and “Related Party Transactions—2014 Series E Financing.”

	JUNE 30, 2014 (unaudited)		
(in thousands of €)	ACTUAL	PRO FORMA	PRO FORMA AS ADJUSTED(1)
Cash and cash equivalents	1,800		
Convertible loan(2)	8,840		
Preferred shares	80,286		
Long-term borrowings(3)	—		
Total debt	89,126		
Equity			
Issued capital			
Common shares, €0.01 par value, 62,323 shares issued and outstanding on an actual basis; shares issued and outstanding on a pro forma basis, shares issued and outstanding on a pro forma as adjusted basis	63		
Capital reserves	469		
Own shares	(25)		
Accumulated deficit(4)	(102,022)		
Total equity	(101,515)		
Total capitalization(5)	(12,389)		

(1) Each $1.00 increase (decrease) in the assumed initial public offering price per common share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our pro forma cash and cash equivalents, total equity and total equity and liabilities, assuming that the number of common shares offered by us, as set forth on the cover page of this prospectus, remains the same, by $ million. U.S. dollar amounts have been translated into euros at a rate of $1.37 to €1.00, the official exchange rate quoted as of June 30, 2014 by the European Central Bank. Such euro amounts are not necessarily indicative of the amounts of euros that could actually have been purchased upon exchange of U.S. dollars at the dates indicated and have been provided solely for the convenience of the reader. On , 2014, the exchange rate as reported by the European Central Bank was USD to €1.00.

(2) Consists of short term borrowings (€5,153) and the related derivative conversion feature (€3,687).

(3) Consists of borrowings under the Perceptive credit facility, net of an amount allocated to the warrants classified as equity Instruments (€924).

(4) Accumulated deficit includes extinguishment losses of €38,982 of debt derecognized in the corporate reorganization.

(5) Consists of total debt and equity.

The pro forma and pro forma as adjusted data in the table above do not reflect:

- the effects of the conversion of the outstanding 2007 SOP awards into awards exercisable for of our common shares issuable upon the exercise of options outstanding as of June 30, 2014, giving effect to the corporate reorganization at a weighted average exercise price of $ per common share; and
- of our common shares covered by additional awards expected to be available for future issuance under our equity incentive plan to be adopted in conjunction with the consummation of this offering.

DILUTION

If you invest in our common shares, your interest will be diluted to the extent of the difference between the initial public offering price per common share and the pro forma as adjusted net tangible book value per common share after this offering.

At June 30, 2014, we had a pro forma net tangible book value of $ million (€ million), corresponding to a net tangible book value of $ per common share (€ per common share). Pro forma net tangible book value per share represents the amount of our total assets less our total liabilities, excluding intangible assets, divided by the common shares issued and outstanding after giving effect to (i) the consummation of the first tranche of the Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing and (iii) our corporate reorganization.

After giving effect to (i) the first tranche of the Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing, (iii) our corporate reorganization and (iv) the sale by us of the common shares offered by us in the offering at an assumed initial offering price of $ per common share (€ per common share) (the midpoint of the price range set forth on the cover page of this prospectus), after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value estimated at June 30, 2014 would have been approximately $ million (€ million), representing $ per common share (€ per common share). This represents an immediate increase in pro forma net tangible book value of $ per common share (€ per common share) to existing shareholders and an immediate dilution in net tangible book value of $ per common share (€ per common share) to new investors purchasing common shares in this offering. Dilution for this purpose represents the difference between the price per common share paid by these purchasers and net tangible book value per common share immediately after the completion of the offering.

The following table illustrates this dilution to new investors purchasing common shares in the offering.

	$	€
Assumed initial public offering price per share		
Pro forma net tangible book value per common share at June 30, 2014 after giving effect to (i) the consummation of the first tranche of the Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing and (iii) our corporate reorganization		
Increase in net tangible book value per common share attributable to this offering		
Pro forma as adjusted net tangible book value per common share after giving effect to (i) the consummation of the first tranche of the Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing and (iii) our corporate reorganization and (iv) this offering		
Dilution per common share to new investors		
Percentage of dilution in net tangible book value per common share for new investors		

Each $1.00 increase (decrease) in the assumed initial offering price of $ per common share (€ per common share) (the midpoint of the price range set forth on the cover page of this prospectus), respectively, would increase (decrease) the as adjusted net tangible book value after this offering by $ per common share (€ per common share) and the dilution per common share to new investors in the offering by $ per common share (€ per common share), assuming that the number of common shares offered by us, as set forth on the cover page of this prospectus, remains the same.

The following table sets forth, on a pro forma basis as of June 30, 2014, giving effect to (i) the consummation of the first tranche of the Series E Financing, (ii) the issuance of warrants to Perceptive following the closing of this offering in connection with the Perceptive credit facility, (iii) our corporate reorganization and (iv) this offering, the total number of shares owned by existing shareholders and to be owned by new investors purchasing common shares in this offering, the total consideration paid and the average price per share paid by our existing shareholders and to be paid by new investors purchasing common shares in this offering. The calculation below is based on an assumed initial public offering price of $ per share (€ per share), the midpoint of the estimated price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	SHARES PURCHASED		TOTAL CONSIDERATION			AVERAGE PRICE PER SHARE
	NUMBER	PERCENT	AMOUNT ('000)		PERCENT	
Existing shareholders		%	$	€	%	$ €
New Investors						
Total		100%			100%	

Each $1.00 increase (decrease) in the offering price per share, respectively, would increase (decrease) the total consideration paid by new investors by $ million (€ million) and increase (decrease) the percentage of total consideration paid by new investors by approximately %, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same.

If the underwriters were to fully exercise their option to purchase additional shares, the as adjusted net tangible book value per common shares after the offering would be $ per common share (€ per common share), and the dilution per common share to new investors would be $ per share (€ per common share).

If the underwriters exercise their option to purchase additional shares in full, the following will occur:

- the percentage of our common shares held by existing shareholders will decrease to approximately % of the total number of our common shares outstanding after this offering; and
- the percentage of our common shares held by new investors will increase to approximately % of the total number of our common shares outstanding after this offering.

The above discussion and table are based on our actual common shares outstanding as of June 30, 2014 on a pro forma as adjusted basis and excludes:

- the effects of the conversion of the outstanding 2007 SOP awards into awards exercisable for of our common shares issuable upon the exercise of options outstanding as of June 30, 2014, giving effect to the corporate reorganization, at a weighted average exercise price of $ per common share (€ per common share); and
- common shares covered by additional awards available for future issuance under our equity incentive plan to be adopted in conjunction with the consummation of this offering.

To the extent that outstanding options are exercised, you will experience further dilution. In addition, we may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that additional capital is raised through the sale of equity or convertible debt securities, the issuance of such securities may result in further dilution to our shareholders.

EXCHANGE RATES

The following table sets forth, for the periods indicated, the high, low, average and period-end exchange rates for the purchase of U.S. dollars expressed in euros per U.S. dollar. The average rate is calculated by using the average of the European Central Bank's reported exchange rates on each day during a monthly period and on the last day of each month during an annual period. On , 2014, the exchange rate as reported by the European Central Bank was € to $1.00.

	PERIOD-END	AVERAGE FOR PERIOD	LOW	HIGH
		(€ per U.S. dollar)		
Year Ended December 31:				
2009	0.694	0.717	0.661	0.796
2010	0.748	0.754	0.687	0.837
2011	0.773	0.718	0.672	0.776
2012	0.758	0.778	0.743	0.827
2013	0.725	0.753	0.724	0.783
Month Ended:				
February 28, 2014	0.724	0.732	0.724	0.741
March 31, 2014	0.725	0.723	0.717	0.728
April 30, 2014	0.722	0.724	0.721	0.730
May 31, 2014	0.735	0.728	0.717	0.735
June 30, 2014	0.732	0.736	0.732	0.739
July 31, 2014	0.747	0.739	0.731	0.747
August 2014 (through August , 2014)				

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following selected consolidated historical financial information of Affimed Therapeutics AG should be read in conjunction with the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Affimed Therapeutics AG's consolidated financial statements, including the notes thereto, included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future.

The consolidated statement of financial position data as of December 31, 2012 and 2013 and comprehensive loss data for each of the years then ended are derived from the consolidated financial statements of Affimed Therapeutics AG included elsewhere in this prospectus, which have been audited by KPMG AG Wirtschaftsprüfungsgesellschaft. The consolidated statement of financial position data as of June 30, 2014 and comprehensive loss data for each of the six-month periods ended June 30, 2013 and 2014 are derived from the unaudited condensed consolidated financial statements of Affimed Therapeutics AG included elsewhere in this prospectus. The unaudited financial statements have been prepared on the same basis as the audited financial statements and, in the opinion of management, reflect all adjustments necessary to state fairly our financial position as of June 30, 2014 and our results of operations for the six months ended June 30, 2013 and 2014. Our historical results for the six months ended June 30, 2014 are not necessarily indicative of results to be expected for a full year or any other interim period.

We maintain our books and records in euros, and we prepare our financial statements under IFRS as issued by the IASB.

Affimed Therapeutics B.V. is a newly formed holding company formed for the purpose of effecting the offering and has engaged in activities incidental to its formation, the corporate reorganization and the initial public offering of our common shares. Accordingly, summary financial information for Affimed Therapeutics B.V. is not presented. Affimed Therapeutics B.V.'s financial statement, including the notes thereto, is included elsewhere in this prospectus.

Consolidated Statements of Comprehensive Loss Data

(in thousands of € except for share and per share data)	FOR THE YEARS ENDED DECEMBER 31,		FOR THE SIX MONTHS ENDED JUNE 30,	
	2012	2013	2013	2014
			(unaudited)	
Revenue	**1,173**	**5,087**	**271**	**1,409**
Other income/(expenses)—net	206	610	350	113
Research and development expenses	(8,726)	(14,354)	(6,123)	(3,287)
General and administrative expenses	(3,050)	(7,046)	(2,425)	(351)
Operating loss	**(10,397)**	**(15,703)**	**(7,927)**	**(2,116)**
Finance costs—net	**(3,926)**	**(10,397)**	**(4,074)**	**(204)**
Loss before tax	**(14,323)**	**(26,100)**	**(12,001)**	**(2,320)**
Income taxes	9	1	2	28
Loss for the period	**(14,314)**	**(26,099)**	**(11,999)**	**(2,292)**
Loss per common share in € per share (basic and diluted)(1)	**(226)**	**(412)**	**(189)**	**(36)**
Weighted-average shares outstanding(2)	63,323	63,323	63,323	63,323

(1) There are no dilutive instruments outstanding.

(2) Does not include preferred shares.

Consolidated Statement of Financial Position Data

(in thousands of €)	AS OF DECEMBER 31, 2012	AS OF DECEMBER 31, 2013	AS OF JUNE 30, 2014 (unaudited)
Cash and cash equivalents	4,902	4,151	1,800
Total assets	7,191	6,500	4,510
Accumulated deficit	(73,631)	(99,730)	(102,022)
Total equity	(73,124)	(99,223)	(101,515)
Total equity and liabilities	7,191	6,500	4,510

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the information under "Selected consolidated financial information" and our consolidated audited financial statements, including the notes thereto, included in this prospectus. The following discussion is based on our financial information prepared in accordance with IFRS as issued by the IASB, which might differ in material respects from generally accepted accounting principles in other jurisdictions. The following discussion includes forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including but not limited to those described under "Risk Factors" and elsewhere in this prospectus.

In May 2014, Affimed Therapeutics B.V. was organized under the laws of the Netherlands to become the holding company for Affimed Therapeutics AG in connection with this offering pursuant to the corporate reorganization. Please see "Corporate Reorganization." Affimed Therapeutics B.V. has engaged in activities incidental to its formation, the corporate reorganization and the initial public offering of our common shares. Accordingly, financial information for Affimed Therapeutics B.V. and a discussion and analysis of its results of operations and financial condition for the period of its operations prior to the corporate reorganization would not be meaningful and are not presented. Following the corporate reorganization, the historical financial statements of Affimed N.V. will be retrospectively adjusted to include the historical financial results of Affimed AG for all periods presented.

Overview

We are a clinical-stage biopharmaceutical company focused on discovering and developing highly targeted cancer immunotherapies. Our product candidates are being developed in the field of immuno-oncology, which represents an innovative approach to cancer treatment that seeks to harness the body's own immune defenses to fight tumor cells. The most potent cells of the human defense arsenal are types of white blood cells called Natural Killer cells, or NK-cells, and T-cells. Our proprietary, next-generation bispecific antibodies, which we call TandAbs because of their tandem antibody structure, are designed to direct and establish a bridge between either NK-cells or T-cells and cancer cells. Our TandAbs have the ability to bring NK-cells or T-cells into proximity and trigger a signal cascade that leads to the destruction of cancer cells. Due to their novel tetravalent architecture, our TandAbs bind to their targets with high affinity and have half-lives that allow intravenous administration rather than require continuous infusion. We believe, based on their mechanism of action and the preclinical and clinical data we have generated to-date, that our product candidates may ultimately improve response rates, clinical outcomes and survival in cancer patients and could eventually become a cornerstone of modern targeted oncology care.

To date, we have financed our operations primarily through private placements of equity securities, preferred shares and convertible loans from existing shareholders, government grants and milestone payments for collaborative research and development services. Through June 30, 2014, we have raised €65.6 million through the issuance of common and preferred shares and convertible loans. In the year ended December 31, 2013, we recognized €4.4 million under our license and development agreement with Amphivena Therapeutics, Inc., or Amphivena. We collected an advance payment of €2.0 million for research and development services in the first quarter of 2014, which was deferred as of June 30, 2014, pending achievement of the second milestone. The payment will be recognized as revenue upon achievement of the second milestone, net of our share in funding Amphivena of €0.2 million. Under our collaboration with the Leukemia & Lymphoma Society, or LLS, we achieved milestones in January 2014 and April 2014 and received related payments of $1.5 million (€1.2 million) in total for research and development services. €0.6 million ($0.75 million) from the milestone payments was recognized as revenue in the three months ended March 31, 2014 and €0.6 million ($0.75 million) was recognized as revenue in the three months

ended June 30, 2014. As of June 30, 2014, we had cash and cash equivalents of €1.8 million. To date, we have not generated any revenues from product sales or royalties. Based on our current plans, we do not plan to generate product or royalty revenues unless and until we obtain marketing approval for, and commercialize, any of our product candidates.

We have generated losses since we began our drug development operations in 2000. For the years ended December 31, 2012 and 2013, we incurred net losses of €14.3 million and €26.1 million, respectively. For the six months ended June 30, 2013 and 2014, we incurred net losses of €12.0 million and €2.3 million, respectively. As of June 30, 2014, we had an accumulated deficit of €102.0 million. We expect to continue incurring losses as we continue our preclinical and clinical development programs, apply for marketing approval for our product candidates and, subject to obtaining regulatory approval for our product candidates, build a marketing and sales team to commercialize our product candidates. Our profitability is dependent upon the successful development, approval, and commercialization of our product candidates and achieving a level of revenues adequate to support our cost structure. We may never achieve profitability, and unless and until we do, we will continue to need to raise additional cash. We intend to fund future operations through additional equity and debt financings, and we may seek additional capital through arrangements with strategic partners or from other sources. Based on our operating plan, existing working capital at June 30, 2014 was not sufficient to meet the cash requirements to fund planned operations without additional financing. There can be no assurances that such financing will be available to us on satisfactory terms, or at all. These conditions raise substantial doubt about our ability to continue as a going concern and we will be required to raise additional funds, alternative means of financial support, or both, in order to continue operations. The accompanying financial statements have been prepared assuming that we will continue as a going concern and do not include adjustments that might result from the outcome of this uncertainty. This basis of accounting contemplates the recovery of our assets and the satisfaction of liabilities in the normal course of business.

Collaboration Agreements

We have entered into strategic collaborations for some of our therapeutic programs. As part of our business development strategy, we aim to increase the number of our research collaborations in order to derive further value from our platforms and more fully exploit their potential. Key terms of our current material collaborations are summarized below.

Amphivena

Pursuant to a July 2013 license and development agreement, which amended and restated a 2012 license agreement between us and Amphivena Therapeutics, Inc., or Amphivena, based in San Francisco, California, we licensed certain technology to Amphivena, that enables Amphivena to develop an undisclosed product candidate for hematologic malignancies. In exchange for the technology license to Amphivena, we received shares of stock of Amphivena, and, in connection with an equity financing involving us and other third-party investors, we made cash investments in Amphivena in exchange for additional shares of stock and entered into certain related agreements governing our rights as a shareholder of Amphivena. As of June 30, 2014, those cash investments totaled $540,000 (€403,462), and we owned approximately 28% of the outstanding equity of Amphivena on a fully diluted basis. In the event that Amphivena achieves certain milestones, the investors are obligated to make additional cash investments in Amphivena. Our portion of such additional cash investments is $360,000 (€260,870). Amphivena has separately entered into a warrant agreement with Janssen Biotech Inc. that gives Janssen the option to acquire Amphivena following IND acceptance by the FDA of such product candidate, upon predetermined terms, in exchange for payments under the warrant. If Amphivena is acquired by Janssen pursuant to the terms of the warrant, as a shareholder of Amphivena we would receive in the low-to-mid teen million U.S. dollars.

Pursuant to the July 2013 license and development agreement between Amphivena and us, we will perform certain services for Amphivena related to the development of a product candidate for hematological malignancies, and we have granted Amphivena certain product and technology licenses, each of which

includes the right to grant sublicenses to its affiliates or third parties through multiple tiers, subject to certain notice requirements. In consideration for the research and development work to be performed prior to IND acceptance, Amphivena will pay to us service fees totaling approximately €16.9 million payable upon the achievement of milestones and phase progressions as described under the license and development agreement. We recognized revenue of €4.4 million in the third quarter of 2013 upon achievement of the first milestone consisting of the earned milestone payment of €4.6 million less our share in funding Amphivena in 2013 of €0.2 million. An advance payment of €2.0 million for research and development services was collected in the first quarter of 2014 prior to achievement of the second milestone and was deferred as of June 30, 2014. The payment will be recognized as revenue upon achievement of the second milestone, net of our share in funding Amphivena of €0.2 million. We are paid in euros under the license and development agreement.

The Leukemia & Lymphoma Society

In August 2013, we entered into a research funding agreement with The Leukemia & Lymphoma Society, or LLS, for the clinical development of AFM13. Pursuant to the research funding agreement, LLS has agreed to co-fund the clinical phase 2a development of AFM13 and to contribute up to approximately $4.4 million (€3.2 million) over two years to support the project. We have agreed to match LLS's contributions toward the project budget. Our receipt of the $4.4 million (€3.2 million) total that LLS has agreed to contribute is conditioned on the achievement of certain milestones in connection with the development of AFM13, two of which have been met. We achieved milestones in January 2014 and April 2014 and recognized revenues of $1.5 million (€1.2 million) in total for related research and development services. We must use the funding provided by LLS exclusively with the development program.

In consideration of LLS's payments to us, we have agreed to pay LLS a mid-single digit royalty on net sales of products containing AFM13 until we have paid LLS a low single digit multiple of the funding they provided to us. After we have reached this initial royalty cap, we will pay LLS a sub-single digit royalty on net sales until the earlier of (i) the expiration of the last to expire patent covering the AFM13 products and (ii) ten years after the initial royalty cap is satisfied. These royalty payments are calculated on a country-by-country and product-by-product basis. We have also agreed to make certain low-to-mid-single digit royalty payments to LLS in the event of certain transfers of rights to any product containing AFM13 or in the event we undergo certain change of control transactions, in each case up to the royalty cap described above. We do not expect this offering to constitute a change of control under the research funding agreement. Amounts paid to us under our agreement with LLS are paid in U.S. dollars.

License Agreements

DKFZ

In June 2006, we amended a 2001 license agreement with Deutsches Krebsforschungszentrum, Heidelberg, or DKFZ. Under the agreement, as amended, we obtained a worldwide, royalty-bearing license under specified DKFZ patent rights to make, have made, use, sell and have sold licensed products and to practice licensed commercial services, which specifically excludes services that are paid for with government grant funding. We have developed our TandAb technology under the licensed patent rights. In connection with the agreement, as amended, we issued DKFZ 350 shares of our Series C preferred shares, which were subsequently converted into Series D preferred shares in the equivalent amount of €50,000 and made a €35,000 cash payment to DKFZ. We are also required to pay DKFZ a low single digit royalty on net sales, as defined in the agreement, of licensed products and services and a mid-single digit percentage of income we receive in connection with granting a third party a sublicense of our rights under the license agreement. If we grant a sublicense in connection with entering into a cross-licensing arrangement with one or more third parties, we are obligated to make a lump-sum payment of DM 70,000 (€35,790) to DKFZ following the execution of each such sublicense. We are obligated to make the above royalty payments to DKFZ during the term of the licensed patents and for the two years following the expiration of the licensed patents.

XOMA

In September 2006, we entered into a license agreement with Xoma Ireland Limited, or XOMA. Pursuant to the agreement, XOMA granted us a worldwide, fully paid-up, royalty-free, non-exclusive and non-transferable license to conduct research on immunoglobulins under certain patent rights and know-how owned or otherwise controlled by XOMA. We refer to this research-only license grant as the "research license." XOMA also granted us options, exercisable on an immunoglobulin-by-immunoglobulin basis, to obtain certain additional manufacturing or commercialization rights, including an option to obtain a worldwide, non-exclusive, non-transferable license under the licensed XOMA patent rights and know-how to make or have made (in a prokaryote and without use of a dicistronic construct), use, sell, offer to sell, import and otherwise commercialize immunoglobulins discovered, isolated or optimized under the research license for the diagnosis, treatment, prevention or prophylaxis of any human condition or disease. Unless XOMA grants us such a license, we are prohibited from commercializing, licensing or developing any immunoglobulin discovered, isolated or optimized under the research license. XOMA is not required to grant us a license upon our exercise of the option, unless the other provisions of the license agreement are complied with. For each immunoglobulin for which we obtain such a commercialization license pursuant to our exercise of the option, we are obligated to make milestone payments upon the occurrence of certain clinical and regulatory events. For each immunoglobulin, if all milestone events under the commercialization license are achieved, the aggregate milestone payments could total $350,000 (€253,623). In addition, we are obligated to pay XOMA a low single digit percentage royalty on net sales on a country-by-country and immunoglobulin-by-immunoglobulin basis, until the later of the expiration of the last-to-expire valid patent claim in the relevant country or the tenth anniversary of the first commercial sale of the corresponding product.

Financial Operations Overview

Revenue

To date, our revenues have consisted principally of collaboration and service revenue.

Collaboration revenue. Collaboration revenue of €4.4 million in 2013 is from the achievement of the first milestone under the license and development agreement with Amphivena. We did not recognize any collaboration revenue in the six months ended June 30, 2013. Collaboration revenue of €0.6 million for the three months ended June 30, 2014 and €1.2 million for the six months ended June 30, 2014 is from the LLS collaboration.

Service revenue. Service revenue is revenue from service contracts entered into by AbCheck, our wholly owned, independently operated antibody screening platform. In 2012, we recognized €1.2 million and in 2013 €0.7 million. For the six months ended June 30, 2013 we recognized €0.3 million and for the six months ended June 30, 2014 we also recognized €0.3 million of service revenue.

In the future, the timing of our revenue may vary significantly from the receipt of the related cash flows, as the revenue from some upfront or initiation payments is deferred and recognized as revenue over the estimated service period, while other revenue is earned when received, such as milestone payments or service fees. Our revenue has varied substantially, especially due to the impact of Collaboration revenue received from Amphivena, and is expected to continue to vary, from quarter to quarter and year to year, depending upon, among other things, the structure and timing of milestone events, the number of milestones achieved, the level of revenues earned for ongoing development efforts, any new collaboration arrangements we may enter into and the terms we are able to negotiate with our partners. We therefore believe that period to period comparisons should not be relied upon as indicative of our future revenues.

Other Income

In addition, we have earned income through several grants and/or contracts with the German government, the European Union and other educational institutions on behalf of the German government, primarily with respect to research and development activities related to the use of the TandAb technology in various indication areas.

Research and Development Expenses

Research and development expenses consist principally of:

- salaries for research and development staff and related expenses, including management benefits;
- costs for production of preclinical compounds and drug substances by contract manufacturers;
- fees and other costs paid to contract research organizations in connection with additional preclinical testing and the performance of clinical trials;
- costs of related facilities, materials and equipment;
- costs associated with obtaining and maintaining patents and other intellectual property;
- amortization and depreciation of tangible and intangible fixed assets used to develop our product candidates; and
- expenses for share-based payments.

We expect that our total research and development expenses in 2014 will be in the lower range of our expenses in 2012 and 2013. Our research and development expenses primarily relate to the following key programs:

- *AFM13*. We anticipate commencing a phase 2a clinical trial of AFM13 in patients with Hodgkin Lymphoma, or HL, in the fourth quarter of 2014. We anticipate that our research and development expenses will increase substantially in connection with the commencement of this clinical trial.
- *AFM11*. We have recently initiated a phase 1 clinical trial of AFM11 in patients with non-Hodgkin Lymphoma, or NHL. We anticipate that our research and development expenses will increase substantially as we enroll patients for this clinical trial.
- *Other development programs.* Our other research and development expenses relate to our preclinical studies of AFM21, our Amphivena collaboration and discovery activities. The expenses mainly consist of salaries, costs for production of preclinical compounds and costs paid to contract research organizations in conjunction with preclinical testing.

Since January 1, 2012, we have cumulatively spent €26.4 million on research and development. In 2012 and 2013, we spent €8.7 million and €14.4 million on research and development, respectively, €3.2 million and €1.2 million on AFM13 and €3.2 million and €7.2 million on AFM11, respectively. Excluding non-cash share-based payment expenses, for the three months ended June 30, 2013 we spent €3.5 million and for the three months ended June 30, 2014 we spent €2.3 million for research and development activities. For the same time periods we spent €0.3 million and €0.5 million for AFM13-related research and development activities and spent €2.5 million and €0.7 million for AFM11-related research and development activities, respectively. Excluding non-cash share-based payment expenses, for the six months ended June 30, 2013 we spent €4.9 million and for the six months ended June 30, 2014, we spent €4.1 million for research and development activities. For the same time periods we spent €0.5 million and €0.6 million for AFM13-related research and development activities and spent €2.8 million and €1.0 million for AFM11-related research and development activities, respectively. Our research and development expenses may vary substantially from period to period based on the timing of our research and development activities, including due to timing of initiation of clinical trials and enrollment of patients in clinical trials. Research and development expenses are expected to increase as we advance the clinical development of AFM13 and AFM11 and further advance the research and development of our preclinical product candidates. The successful development of our product candidates is highly uncertain. At this time we cannot reasonably estimate the nature, timing and estimated costs of the efforts that will be necessary to complete the development of, or the period, if any, in which material net cash inflows may commence from, any of our product candidates. This is due to numerous risks and uncertainties associated with developing drugs, including the uncertainty of:

- the scope, rate of progress, results and cost of our clinical trials, nonclinical testing, and other related activities;

- the cost of manufacturing clinical supplies and establishing commercial supplies of our product candidates and any products that we may develop;
- the number and characteristics of product candidates that we pursue;
- the cost, timing, and outcomes of regulatory approvals;
- the cost and timing of establishing sales, marketing, and distribution capabilities; and
- the terms and timing of any collaborative, licensing, and other arrangements that we may establish, including any milestone and royalty payments thereunder.

A change in the outcome of any of these variables with respect to the development of AFM13, AFM11 or any other product candidate that we may develop could mean a significant change in the costs and timing associated with the development of such product candidate. For example, if the U.S. Food and Drug Administration, or FDA, or other regulatory authority were to require us to conduct preclinical and clinical studies beyond those which we currently anticipate will be required for the completion of clinical development, if we experience significant delays in enrollment in any clinical trials or if we encounter difficulties in manufacturing our clinical supplies, we could be required to expend significant additional financial resources and time on the completion of the clinical development.

General and Administrative Expenses

Our general and administrative expenses consists principally of:

- salaries for employees other than research and development staff, including benefits;
- business development expenses, including travel expenses;
- professional fees for auditors and other consulting expenses not related to research and development activities;
- professional fees for lawyers not related to the protection and maintenance of our intellectual property;
- cost of facilities, communication and office expenses;
- IT expenses;
- amortization and depreciation of tangible and intangible fixed assets not related to research and development activities; and
- expenses for share-based payments.

We expect that our general and administrative expenses will increase in the future as our business expands and we incur additional costs associated with operating as a public company. These public company-related increases will likely include costs of additional personnel, additional legal fees, accounting and audit fees, managing directors' and supervisory directors' liability insurance premiums and costs related to investor relations. In addition, we may grant share-based compensation awards to key management personnel and other employees in connection with this offering.

Fair Value of Preferred Shares

As of June 30, 2014, the determination of the fair value of our preferred shares classified as liabilities resulted in a decrease in the carrying amount of the liability for share-based payments as of June 30, 2014 to €10.2 million. The effect of the change in estimated fair value compared with the estimate as of March 31, 2014 amounting to €10.2 million is recognized as a credit to Research and development expenses (€4.4 million) and to General and administrative expenses (€5.8 million) for the three months ended June 30, 2014. In addition, we recognized a credit to Finance costs of €7.7 million for the three months ended June 30, 2014 as a result of the decrease in the carrying amount for the derivative conversion feature embedded in the convertible loan related to the determination of the fair value of our preferred shares as of June 30, 2014.

Results of Operations

Comparison of the three months ended June 30, 2013 and 2014

	THREE MONTHS ENDED JUNE 30,	
	2013	2014
	(unaudited) (in € thousand)	
Total Revenue:	**201**	**687**
Other income/(expenses)—net	166	68
Research and development expenses	(4,227)	2,059
General and administrative expenses	(1,502)	4,384
Operating income/(loss)	**(5,362)**	**7,198**
Finance costs—net	**(2,979)**	**6,197**
Income/(Loss) before tax	(8,341)	13,395
Income taxes	(13)	(41)
Income/(loss) for the period	**(8,354)**	**13,354**
Total comprehensive income/(loss)	**(8,354)**	**13,354**
Earnings/(loss) per common share in € per share	**(132)**	**211**

Revenue

Revenue increased 342% from €0.2 million in the three months ended June 30, 2013 to €0.7 million for the three months ended June 30, 2014, due to the achievement of a milestone in the LLS collaboration, and was partially offset by declining AbCheck revenues in 2014.

Research and development expenses

R&D EXPENSES BY PROJECT	THREE MONTHS ENDED JUNE 30,		
	2013	2014	CHANGE %
	(unaudited) (in € thousand)		
Project			
AFM13	274	484	77%
AFM11	2,539	674	(73%)
Other projects	708	1,135	60%
Share-based payment expense/(credit)	706	(4,352)	—
Total	**4,227**	**(2,059)**	**(149%)**

Our research and development expenses are highly dependent on the development phases of our research projects and therefore fluctuate highly from quarter to quarter. The variances in expense between the three months ended June 30, 2013 and the corresponding period in 2014 are mainly due to the change in the estimated fair value of our share-based payment awards resulting in a decrease in the carrying amount of the liability for share-based payments as of June 30, 2014 to €10.2 million. The effect of these changes is

recognized as a credit to Research and development expenses (€4.4 million) in the three months ended June 30, 2014. In addition, the changes in the following projects led to variances:

- *AFM13*. Costs in the three months ended June 30, 2013 are costs associated with the planning of the AFM13 phase 2a trial, including regulatory preparation. In the corresponding period in 2014, we have incurred costs for the manufacture of clinical study material and to a certain extent for the preparation of the phase 2a trial.
- *AFM11*. Costs in the three months ended June 30, 2013 include costs for discovery and preclinical activities as well as for the preparation and generation of clinical study material. In the corresponding period in 2014, costs were associated with the manufacture of clinical study material and the preparation of the AFM11 phase 1 trial.
- *Other projects*. All costs associated with other project related costs are included in this category. Our costs in the three months ended June 30, 2013 were related to a cross-reactive CD3 platform development. In the corresponding period in 2014, these costs were primarily associated with the Amphivena collaboration.
- *Infrastructure costs*. We incur a significant amount of costs associated with our research and development that are non-project specific, including intellectual property-related expenses, depreciation expenses and facility costs. Because these are less dependent on individual ongoing programs, they are not allocated to specific projects.

General and administrative expenses

General and administrative expenses decreased from an expense of €1.5 million in the three months ended June 30, 2013 to a credit to General and administrative expenses of €4.4 million in the three months ended June 30, 2014. The decrease was primarily related to the change in the estimated fair value of our share-based payment awards resulting in a credit of €5.8 million. We expect that General and administrative expense will increase in the future as our business expands and we incur additional costs associated with operating as a public company.

Finance costs-net

We recognized a credit to Finance costs for the three months ended June 30, 2014 of €7.7 million. The credit reflects the decrease in the fair value of the preferred shares and the related fair value measurement of the derivative conversion feature embedded in the convertible loan.

Income tax expense

During the three months ended June 30, 2014, we have recorded an income tax expense of €41 related to AbCheck activities.

Comparison of the six months ended June 30, 2013 and 2014

	SIX MONTHS ENDED JUNE 30, (unaudited)	
	2013	2014
	(in € thousand)	
Total Revenue:	**271**	**1,409**
Other income/(expenses)—net	350	113
Research and development expenses	(6,123)	(3,287)
General and administrative expenses	(2,425)	(351)
Operating loss	**(7,927)**	**(2,116)**
Finance costs—net	**(4,074)**	**(204)**
Loss before tax	(12,001)	(2,320)
Income taxes	2	28
Loss for the period	**(11,999)**	**(2,292)**
Total comprehensive loss	**(11,999)**	**(2,292)**
Loss per common share in € per share	**(189)**	**(36)**

Revenue

Revenue increased 520% from €0.3 million in the six months ended June 30, 2013 to €1.4 million for the six months ended June 30, 2014 due to the achievement of milestones in the LLS collaboration in 2014.

Research and development expenses

R&D EXPENSES BY PROJECT	SIX MONTHS ENDED JUNE 30,		CHANGE %
	2013	2014	
	(unaudited) (in € thousand)		
Project			
AFM13	524	633	21%
AFM11	2,829	1,049	(63%)
Other projects	1,575	2,375	51%
Share-based payment expense/(credit)	1,194	(770)	—
Total	**6,123**	**3,287**	**(46%)**

Our Research and development expenses are highly dependent on the development phases of our research projects and therefore fluctuate highly from period to period. The variances in expenses between the six months ended June 30, 2013 and the corresponding period in 2014 are mainly due to the changes in the estimated fair value of our share-based payment awards. The effect of these changes is recognized as a credit to Research and development expenses (€0.8 million) in the six months ended June 30, 2014. In addition, the changes in the following projects led to variances:

- *AFM13*. Costs in the six months ended June 30, 2013 are costs associated with the planning of our AFM13 phase 2a trial, including regulatory preparation. In the corresponding period in 2014, we have incurred costs for the manufacture of clinical study material and the preparation of the phase 2a trial.

- *AFM11*. Costs in the six months ended June 30, 2013 include discovery and preclinical activities in addition to the preparation and generation of clinical study material. In the corresponding period in 2014, costs were associated with the manufacture of clinical study material and the preparation and initiation of the AFM11 phase 1 trial.
- *Other projects*. All costs associated with other project related costs are included in this category. Our costs in the six months ended June 30, 2013 were related to a cross-reactive CD3 platform development. In the corresponding period in 2014, the costs were primarily associated with the Amphivena collaboration.
- *Infrastructure costs*. We incur a significant amount of costs associated with our research and development that are non-project specific, including intellectual property-related expenses, depreciation expenses and facility costs. Because these are less dependent on individual ongoing programs, they are not allocated to specific projects.

General and administrative expenses

General and administrative expenses decreased 86% from €2.4 million in the six months ended June 30, 2013 to €0.4 million in the six months ended June 30, 2014. The decrease was primarily related to the change in the estimated fair value of our share-based payment awards resulting in a credit of €1.8 million. We expect that General and administrative expense will increase in the future as our business expands and we incur additional costs associated with operating as a public company.

Finance costs-net

Finance costs for the six months ended June 30, 2014 were €0.2 million. These costs comprise primarily the credit of €2.5 million that reflects the decrease in the fair value of the preferred shares and the related fair value measurement of the derivative conversion feature embedded in the convertible loan.

Income tax expense

During the six months ended June 30, 2014, we received a refund of prior income tax pre-payments of €28 related to AbCheck activities.

Comparison of the years ended December 31, 2012 and 2013

	YEAR ENDED DECEMBER 31,	
	2012	2013
	(in € thousand)	
Total Revenue:	**1,173**	**5,087**
Other income/(expenses)—net	206	610
Research and development expenses	(8,726)	(14,354)
General and administrative expenses	(3,050)	(7,046)
Operating loss	**(10,397)**	**(15,703)**
Finance income	7	9
Finance costs	(3,933)	(10,406)
Finance costs—net	**(3,926)**	**(10,397)**
Loss before tax	**(14,323)**	**(26,100)**
Income taxes	9	1
Loss for the period	**(14,314)**	**(26,099)**
Total comprehensive loss	**(14,314)**	**(26,099)**
Loss per common share in € per share	**(226)**	**(412)**

Revenue

Revenue increased 334% from €1.2 million in 2012 to €5.1 million in 2013 due to the recognition of €4.4 million from the Amphivena collaboration, partially offset by a decline in AbCheck revenues.

Research and development expenses

R&D EXPENSES BY PROJECT	2012	2013	CHANGE %
	(in € thousand)		
Project			
AFM13	3,046	921	(70%)
AFM11	2,786	6,462	132%
Other projects	1,980	3,950	100%
Share-based payment expense	914	3,021	231%
Total	**8,726**	**14,354**	**64%**

Research and development expenses increased 48% from €8.7 million in 2012 to €14.4 million in 2013. Our research and development expenses are highly dependent on the development phases of our research projects and therefore fluctuates highly from year to year. We expect that our total research and development expenses in 2014 will be in the lower range of our expenses in 2012 and 2013.

The variances in expense between 2012 and 2013 are mainly due to the following:

- *AFM13*. The 2012 costs mainly included costs for the AFM13 phase 1 trial. Our costs in 2013 are costs associated with the planning of the AFM13 phase 2a trial, including regulatory preparation. In 2014 we will incur cost for the manufacture of clinical study material and the initiation of the clinical trial.
- *AFM11*. Costs in the years 2012 and 2013 include discovery and preclinical activities as well as the preparation and generation of clinical study material. The 2014 costs will primarily include those costs associated with the conduct of the AFM11 phase 1 trial.
- *Other projects*. In this category we include all costs associated with other project related costs. In 2012 those costs were associated with work relating to a cross reactive CD3. In 2013 the work was related to a cross-reactive CD3, platform development and the collaboration with Amphivena.
- *Infrastructure costs*. We incur a significant amount of costs associated with our research and development that are non-project specific, including intellectual property-related expenses, depreciation expenses and facility costs. Because these are less dependent on individual ongoing programs, they are not allocated to specific projects.

General and administrative expenses

General and administrative expenses increased by 126% from €3.1 million in 2012 to €7.0 million in 2013. The increase was primarily related to personnel expenses and legal and consulting costs.

We expect that general and administrative expenses will increase in the future as our business expands and we incur additional costs associated with operating as a public company.

Finance costs-net

Finance costs comprise mainly interest expenses for preferred shares of €4.5 million (2012: €3.8 million) and convertible shareholder loans of €359,000 (2012: €145,000). In 2013, an amount of €5.6 million is recognized for changes in the fair value of the derivative conversion feature (2012: €0).

Income tax expense

We did not incur any material income tax expense in 2012 and 2013.

Liquidity and Capital Resources

Since inception, we have incurred significant operating losses. For the years ended December 31, 2012 and 2013, we incurred net losses of €14.3 million and €26.1 million, respectively. For the six months ended June 30, 2014, we incurred a net loss of €2.3 million. To date, we have financed our operations through

private placements of equity securities, preferred shares and convertible loans from existing shareholders, government grants and the first milestone payment from Amphivena under the license and development agreement. As of June 30, 2014, we had cash and cash equivalents of €1.8 million. In July 2014, in the first tranche of our Series E Financing we issued and sold 86,167 Series E preferred shares, at a price per share of approximately €95.19, for aggregate net proceeds of €3 million and the contribution to us of our outstanding convertible loan with principal outstanding in the amount of €5.2 million. See "Related Party Transactions—2014 Series E Financing." In July 2014 we also entered into a credit facility with Perceptive that provides for aggregate funding of $14.0 million, of which $5.5 million was borrowed on July 24, 2014. See "—Subsequent Event."

Our cash and cash equivalents have been deposited primarily in saving and deposit accounts with original maturities of three months or less. Saving and deposit accounts generate a small amount of interest income. We expect to continue this investment philosophy.

Cash Flows

Comparison of the six months ended June 30, 2013 and 2014

The table below summarizes our consolidated statement of cash flows for the six months ended June 30, 2013 and 2014:

	SIX MONTHS ENDED JUNE 30,	
	2013	2014
	(unaudited) (in € thousand)	
Net cash used in operating activities .	(6,183)	(3,497)
Net cash used for investing activities	(128)	(42)
Net cash generated from financing activities .	2,205	1,188
Net changes to cash and cash equivalents	(4,106)	(2,351)
Cash and cash equivalents at the beginning of the period .	4,902	4,151
Cash and cash equivalents at the end of the period	**796**	**1,800**

The decrease in net cash used in operating activities of 56.6% from €6.2 million in the six months ended June 30, 2013 to €3.5 million in the six months ended June 30, 2014 was mainly due to the revenues and milestone payments received under our collaboration agreements in the six months ended June 30, 2014.

The decrease in net cash generated from financing activities from €2.2 million for the six months ended June 30, 2013 to €1.2 million for the six months ended June 30, 2014 was primarily driven by the timing of the closing of our convertible bridge loan agreement in June 2013 and by the signing of the Series E preferred share financing agreement in June 2014. As of June 30 in each period, we received parts of but not all of the payments from the respective financing activities.

Comparison of the year ended December 31, 2012 and 2013

The table below summarizes our consolidated statement of cash flows for the years ended December 31, 2012 and 2013:

	YEAR ENDED DECEMBER 31	
	2012	2013
	(in € thousand)	
Net cash used in operating activities	(8,645)	(5,678)
Net cash used for investing activities	(35)	(157)
Net cash generated from financing activities	9,836	5,084
Net changes to cash and cash equivalents	1,156	(751)
Cash and cash equivalents at the beginning of the year	3,746	4,902
Cash and cash equivalents at the end of the year	4,902	4,151

The decrease in cash used in operating activities by 34% from €8.6 million in 2012 to €5.7 million in 2013 was mainly due to the receipt of the first milestone payment from Amphivena and an increase in trade payables prior to December 31, 2013, partially offset by higher development expenses, primarily driven by changes in our research and development activities from year to year. Our research and development activities are driven by the respective development activities for each project. Please see "—Results of operations."

The decrease in net cash generated from financing activities from €9.8 million in 2012 to €5.1 million in 2013 is mainly due to the consummation of the Series D financing in September 2012. In 2013, we received cash payments through the issuance of a convertible loan.

Cash and Funding Sources

Our cash and cash equivalents as of June 30, 2014 were €1.8 million. During the six months ended June 30, 2014 we did not obtain new financing. As such, the summary below only summarizes our sources of financing for the years ended December 31, 2012 and 2013, as well as a financing that was conducted in July 2014.

On June 28, 2013, several shareholders granted us a €5.1 million loan. The loan bears a 2% annual interest rate and is repayable by July 31, 2014. The loan in its entirety or a portion of the outstanding balance is convertible into Series D preferred shares or the highest preferred share class at the option of the holders at a fixed share price of €30.89.

The convertible loan contains a liability and an embedded conversion right into preferred shares. Based on a market interest rate of 13.3% for a comparable loan without a conversion feature an amount of €4.4 million was recognized in current liabilities, and an amount of €0.6 million was classified as a current liability derivative conversion feature. The repayment amount is accreted using the market interest rate used to determine the fair value of the loan without the conversion feature at inception.

Interest costs of €0.4 million have been recognized in profit or loss in 2013. As of December 31, 2013 the carrying amount of the loan is €4.8 million. If none of the holders of the convertible loan elected to convert, the cash outflow on July 31, 2014 would amount to €5.2 million, consisting of the loan amount plus accreted interest. In addition, an amount of €5.6 million was recognized in finance costs for changes in the fair value of the embedded derivative conversion feature in 2013. The fair value of €6.2 million was determined with reference to the fair value of the preferred shares (see notes 19 and 20 to our consolidated financial statements included elsewhere in this prospectus).

Pursuant to the Series E Financing, the lenders of the loan have agreed to contribute the principal amount of the loan and interest accrued thereon to us subsequent to an increase in our authorized share capital adopted at our general meeting of shareholders on July 14, 2014.

On March 7, 2012, several shareholders granted us a €4.5 million bridge loan until the closure of the subsequent issuance of Series D preferred shares, which occurred on September 24, 2012. All holders of the loan converted as of that date, and an amount of €145,000 was recognized in finance cost in 2012.

In 2012 we raised €9.8 million in the Series D financing round.

In July 2014 we also entered into a credit facility with Perceptive that provides for aggregate funding of $14.0 million, of which $5.5 million was borrowed on July 24, 2014. See "—Subsequent Event."

Funding Requirements

We believe that the net proceeds of this offering, together with our existing cash and cash equivalents, will enable us to fund our operating expenses and capital expenditure requirements for at least the next months. We have based this estimate on assumptions that may prove to be incorrect, and we could use our capital resources sooner than we currently expect. Our future funding requirements will depend on many factors, including but not limited to:

- the scope, rate of progress, results and cost of our clinical trials, nonclinical testing, and other related activities;
- the cost of manufacturing clinical supplies and establishing commercial supplies of our product candidates and any products that we may develop;
- the number and characteristics of product candidates that we pursue;
- the cost, timing, and outcomes of regulatory approvals;
- the cost and timing of establishing sales, marketing, and distribution capabilities; and
- the terms and timing of any collaborative, licensing, and other arrangements that we may establish, including any required milestone and royalty payments thereunder.

For more information as to the risks associated with our future funding needs, see "Risk Factors."

Contractual Obligations and Commitments

The table below sets forth our contractual obligations and commercial commitments as of December 31, 2013 that are expected to have an impact on liquidity and cash flow in future periods. We have entered into various collaboration and license agreements that may trigger milestone payments and royalty payments upon the achievement of certain milestones and net sales in the future. See "—Collaboration Agreements" and "—License Agreements." Because the achievement and timing of these milestones and net sales is not fixed or determinable, our commitments under these agreements have not been included in the table below.

	PAYMENTS DUE BY PERIOD				
	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total
	(in € thousand)				
Operating lease obligations	560	498	0	0	1,058
Convertible loan	5,200	0	0	0	5,200
Preferred shares	0	0	0	77,945	77,945
Total	5,760	498	0	77,945	84,203

Operating lease obligations

Operating lease obligations consist of payments pursuant to non-cancellable operating lease agreements relating to our lease of office space. The lease term of our premises in the Czech Republic is contracted until the year 2020 with a period of notice of three months. The lease period for the premises in Germany is extended automatically for 24 months if not terminated 12 months prior to the end of the lease period. The current lease period ends on August 30, 2016.

Convertible loan

The convertible loan of €5.1 million was borrowed in 2013. The loan in its entirety or a portion of the outstanding balance was convertible into Series D preferred shares or the highest preferred share class at the option of the holders at a fixed share price of €30.89. Pursuant to the Series E Financing, the lenders of the loan have agreed to contribute the principal amount of the loan and interest accrued thereon to us subsequent to an increase in our authorized share capital adopted at our general meeting of shareholders on July 14, 2014.

Preferred shares

Preferred shares are a class of our stock and convey voting rights to their holders. They do not contain a conversion or redemption feature. Upon the occurrence of an exit event, the Series D preferred shares are entitled to proceeds—prior to and in preference to the holders of common shares—of an amount of €41.08 per share in addition to unpaid accreted dividends of 6% per year on the issue price of the Series D preferred shares of €30.89. Preferred shares are re-payable to the shareholders. However, no re-payment date is contractually agreed upon between us and the shareholders.

Contingencies

We have entered into various license agreements that contingently trigger on-off payments upon achievement of certain milestones and royalty payments in the future. Because the achievement and timing of these milestones and net sales is not fixed and determinable, our commitments under these agreements have not been included in the Contractual Obligations table above. See "—Collaboration Agreements" and "—License Agreements."

Subsequent Event

On July 24, 2014, Affimed Therapeutics AG entered into a loan agreement for a loan facility (the "Facility") with an affiliate of Perceptive Advisors LLC ("Perceptive"). The Facility provides for aggregate funding of $14.0 million, including $5.5 million in initial funding and up to an additional $8.5 million of capital available in subsequent tranches. Any portion of the Facility that has not been drawn by December 31, 2015 will terminate. Upon the closing of this offering, we will guarantee the Facility.

The loans outstanding under the Facility will accrue interest at an annual rate equal to an applicable margin of nine percent plus one-month LIBOR, with LIBOR deemed to equal 1% if LIBOR is less than 1% and is payable in monthly installments of interest only through April 2016 and then principal and interest thereafter in monthly installments through August 2018, with the outstanding balance to be repaid in full at the end of August 2018. Borrowings under the Facility are to be secured by a substantial portion of our tangible assets and intellectual property.

Under the loan agreement governing the Facility, we are subject to customary affirmative and negative covenants including limitations on additional indebtedness, limitations on liens and limitations on acquisitions. Additionally, covenants set forth under the Facility will require us to maintain a minimum cash balance of $2.0 million. We have also agreed to achieve certain development milestones for AFM11 and AFM13.

We are also obligated to grant Perceptive warrants to purchase our common shares. Following the closing of this offering, we will issue to Perceptive $935,000 of warrants. If and when we make any additional draw under the Facility, we will issue to Perceptive an additional $1,445,000 of warrants. The number of warrants issued will be the dollar amount of warrants divided by the adjusted Series E preferred share price agreed in the Series E Financing, that is, 80% of the low end of the price range for this offering printed on the cover page of this prospectus. This will also be the exercise price for the warrants. See "Related Party Transactions—2014 Series E Financing" and "Corporate Reorganization." Based on the price range stated on

the front cover of this prospectus and assuming an offering price at the midpoint of the range, we anticipate issuing Perceptive warrants upon the closing of this offering and warrants if we subsequently draw any amount under the Facility at the time of any such draw, each at an exercise price of $.

Off-Balance Sheet Arrangements

As of December 31, 2013, we did not have any, and during the periods presented we did not have any, off-balance sheet arrangements other than operating leases as described under "—Contractual Obligations and Commitments."

Quantitative and Qualitative Disclosures About Market Risk

The Company is not subject to any significant market risks.

Internal Control Over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis. In connection with the preparation of this offering, we identified material weaknesses in our internal controls related to deficiencies in our design and operating effectiveness of internal controls, in our financial reporting processes and in our controls related to management's review of our financial results. We have identified the following material weaknesses in internal control over financial reporting:

- We did not maintain adequate controls with respect to the application of IFRS, including review controls over selected accounts involving the manual calculation of amounts, due to limited resources with adequate knowledge and experience in IFRS. As a result, a number of post-closing adjustments were necessary in order to prepare the financial statements in accordance with IFRS.
- The financial reporting process, including the preparation of the consolidated financial statement in accordance with IFRS, is substantially a manual process, which makes it inherently prone to error. We did not maintain adequate processes with respect to the preparation of the IFRS financial statements to prevent misstatements in the financial statements.
- The financial reporting process does not include effective high-level review controls related to a regular analysis of our IFRS financial results. As such, certain post-closing adjustments were necessary to prepare the IFRS financial statements included in the annual financial statements which are derived from financial statement prepared under local accounting standards.

We cannot assure you that we have identified all of our existing material weaknesses, or that we will not in the future have additional material weaknesses. Undetected material weaknesses in our internal controls could lead to financial statement restatements and require us to incur the expense of remediation.

We have not yet remediated the material weaknesses described above. We have, however, added external IFRS expertise to our accounting team and initiated a series of improvements of our system of internal controls over financial reporting. The remediation measures that we have implemented may be insufficient to address our existing material weaknesses or to identify or prevent additional material weaknesses. See "Risk Factors—Risks Relating to Our Common Shares and this Offering—In the past, we have identified material weaknesses in our internal control over financial reporting. If we fail to implement effective internal controls or remedy the material weaknesses in our internal controls that we have identified, such failure could result in material misstatements in our financial statements, cause investors to lose confidence in our reported financial and other public information and have a negative effect on the trading price of our common shares."

Critical Judgments and Accounting Estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in note 2 to our consolidated financial statements included elsewhere in this prospectus and below:

Preferred Shares

Significant judgment is required in determining the classification of the preferred shares issued by us as equity or liabilities and subsequently for the measurement of the preferred shares. The preferred shareholders receive—prior to and in preference to the holders of common shares—a disproportionate share of our net assets in case of liquidation or certain exit events the occurrence of which is beyond our control. A change in the estimate of the timing of such events has an impact on the value of the preferred shares. The carrying amount of the preferred shares at a certain date is determined as the amortized cost using the effective interest rate method and is based on the contractual cash flows of the instrument.

We did not elect to recognize the preferred shares at fair value. The fair value of the preferred shares is only determined for disclosure at each balance sheet date (see note 19 to our consolidated financial statements included elsewhere in this prospectus).

The subsequent fair value measurement of the conversion feature embedded in the convertible loan is derived from the fair value of the preferred shares.

The fair value measurement of the conversion feature embedded in the convertible loan is derived from the fair value of the preferred shares.

Share-Based Payments

We operate share-based compensation plans, pursuant to which certain participants are granted options to receive payments pursuant to the payments to preferred shareholders or the right to cash payments based on our fair value in certain specified contingent events. The awards are accounted for in accordance with the accounting policy as cash-settled. The expense accrued over the vesting period and recognized as a liability at each balance sheet date is determined by reference to the estimated fair value of the preferred shares or the entire Company. See notes 19 and 20 to our consolidated financial statements included elsewhere in this prospectus.

As a result of the corporate reorganization, our share-based compensation plans will be transitioned from cash-settled to equity-settled plans. For the transition to equity-settled accounting, a final “mark-to-market” of the liability related to our outstanding share-based payment awards will be required, which will be based on our initial public offering price (modification accounting). We will record a share-based compensation adjustment in the consolidated interim financial statements of the quarter in which this offering is completed. This adjustment will be recorded as share-based compensation expense and included in research and development and general and administrative expenses in the consolidated statements of comprehensive loss. Upon the completion of this offering, we will also derecognize the share-based payment liability and recognize additional paid-in capital based on the initial public offering price to reflect the transition from cash-settled to equity-settled accounting in the consolidated interim financial statements of the quarter in which this offering is completed.

Linked Transactions

Judgment is required to determine the accounting for a series of linked transactions. The decisive factor for the determination is the economic substance. If the central element in a series of contractual agreements is the research and development and/or commercialization of products and product candidates then the

arrangement represents a collaboration agreement and the accounting is according to our policy for collaborative agreements.

Revenue Recognition

Elements of consideration in collaboration and license agreements are non-refundable up-front research funding payments, technology access fees and milestone payments. Generally, we have continuing performance obligations and therefore up-front payments are deferred and the related revenues recognized in the period of the expected performance. Technology access fees are generally deferred and recognized over the expected term of the research service agreement on a straight line basis.

We estimate that the achievement of a milestone reflects a stage of completion under the terms of the agreements and recognizes revenue when a milestone is achieved. If the research service is cancelled due to technical failure, the remaining deferred revenues from upfront payments are recognized.

New IFRSs and Interpretations

There are no IFRSs as issued by the IASB or interpretations issued by the IFRS interpretations committee (e.g. IFRS 10, 11, 12, 13 and IAS 19R) that are effective for the first time for the financial year beginning on or after January 1, 2013 that would be expected to have a material impact on our financial position.

JOBS Act Exemptions

On April 5, 2012, the JOBS Act was signed into law. The JOBS Act contains provisions that, among other things, reduce certain reporting requirements for an “emerging growth company.” As an emerging growth company, we are electing to take advantage of the following exemptions:

- not providing an auditor attestation report on our system of internal controls over financial reporting;
- not providing all of the compensation disclosure that may be required of non-emerging growth public companies under the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act;
- not disclosing certain executive compensation-related items such as the correlation between executive compensation and performance and comparisons of the Chief Executive Officer’s compensation to median employee compensation; and
- not complying with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements (auditor discussion and analysis).

These exemptions will apply for a period of five years following the completion of our initial public offering or until we no longer meet the requirements of being an “emerging growth company,” whichever is earlier. We would cease to be an emerging growth company if we have more than $1.0 billion in annual revenue, have more than $700 million in market value of our common shares held by non-affiliates or issue more than $1.0 billion of non-convertible debt over a three-year period.

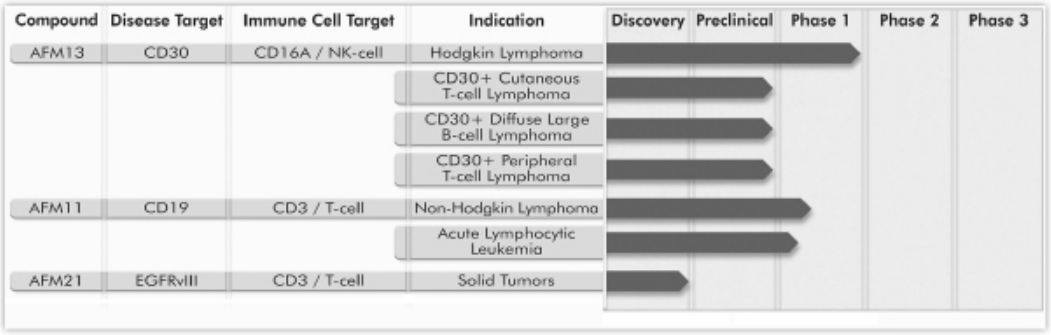
BUSINESS

Overview

We are a clinical-stage biopharmaceutical company focused on discovering and developing highly targeted cancer immunotherapies. Our product candidates are being developed in the field of immuno-oncology, which represents an innovative approach to cancer treatment that seeks to harness the body's own immune defenses to fight tumor cells. The most potent cells of the human defense arsenal are types of white blood cells called Natural Killer cells, or NK-cells, and T-cells. Our proprietary, next-generation bispecific antibodies, which we call TandAbs because of their tandem antibody structure, are designed to direct and establish a bridge between either NK-cells or T-cells and cancer cells. Our TandAbs have the ability to bring NK-cells or T-cells into proximity and trigger a signal cascade that leads to the destruction of cancer cells. Due to their novel tetravalent architecture, our TandAbs bind to their targets with high affinity and have half-lives that allow intravenous administration. We believe, based on their mechanism of action and the preclinical and clinical data we have generated to date, that our product candidates may ultimately improve response rates, clinical outcomes and survival in cancer patients and could eventually become a cornerstone of modern targeted oncology care.

We have focused our research and development efforts on three proprietary programs for which we retain global commercial rights. Because our TandAbs bind with receptors that are known to be present on a number of types of cancer cells, each of our TandAb product candidates could be developed for the treatment of several different cancers. We intend to initially develop our two clinical stage product candidates in orphan or high-medical need indications, including as a salvage therapy for patients who have relapsed after, or are refractory to, that is who do not respond to treatment with, standard therapies, which we refer to as relapsed/refractory. These patients have a limited life expectancy and few therapeutic options. We believe this strategy will allow for a faster path to approval and will likely require smaller clinical trials compared to indications with more therapeutic options and larger patient populations. We believe such specialized market segments in oncology can be effectively targeted with a small and dedicated marketing and sales team. We currently intend to establish a commercial sales force in the United States and/or Europe to commercialize our product candidates when and if they are approved. We are also conducting research with our collaborator Amphivena Therapeutics, Inc., which Janssen has an option to buy upon IND acceptance by the FDA.

The chart below summarizes our current product candidate pipeline:



Our lead candidate, AFM13, is a first-in-class NK-cell TandAb designed for the treatment of certain CD30-positive (CD30+) B- and T-cell malignancies, including Hodgkin Lymphoma, or HL. AFM13 selectively binds with CD30, a clinically validated target in HL patients, and CD16A, an integral membrane glycoprotein receptor expressed on the surface of NK-cells, triggering a signal cascade that leads to the destruction of tumor cells that carry CD30. We are initially developing AFM13 for HL in the salvage setting for patients who have relapsed after, or are refractory to, Adcetris (brentuximab vedotin), a CD30-targeted chemotherapy

approved by the U.S. Food and Drug Administration, or FDA, in August 2011 as a salvage therapy for HL. Half of the patients treated with Adcetris experience disease progression in less than half a year after initiation of therapy. In a recent phase 1 dose-escalation clinical trial, AFM13 was well-tolerated and demonstrated tumor shrinkage or slowing of tumor growth, with disease control shown in 16 of 26 patients eligible for efficacy evaluation. AFM13 also stopped tumor growth in patients who are refractory to Adcetris. Six out of seven patients who became refractory to Adcetris as the immediate prior therapy experienced stabilization of disease under AFM13 treatment according Cheson's criteria, standard criteria for assessing treatment response in lymphoma. We believe that based on its novel mode of action, AFM13 may be beneficial to patients who have relapsed or are refractory to treatment with Adcetris and may provide more durable clinical benefit. In the fourth quarter of 2014, we plan to initiate a phase 2a proof of concept trial of AFM13 in HL patients that have received all standard therapies and have relapsed after or are refractory to Adcetris. We expect interim data in the second half of 2015 and final data in the second half of 2016. The Leukemia and Lymphoma Society, or LLS, has agreed to co-fund this phase 2a study, a further indication of the promise this development candidate holds.

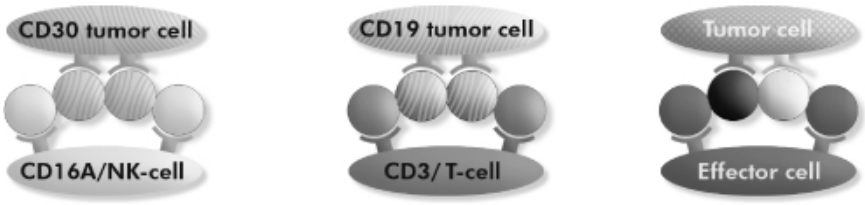
Our second clinical stage candidate, AFM11, is a T-cell TandAb designed for the treatment of certain CD19+ B-cell malignancies, including non-Hodgkin Lymphoma, or NHL, Acute Lymphocytic Leukemia, or ALL, and Chronic Lymphocytic Leukemia, or CLL. AFM11 binds selectively with CD19, a clinically validated target in B-cell malignancies. It also binds to CD3, a component of the T-cell receptor complex, triggering a signal cascade that leads to the destruction of tumor cells that carry CD19. Based on its molecular characteristics, in particular its molecular weight, we expect AFM11 will have a longer half-life than blinatumomab, a bispecific antibody also targeted against CD19 and CD3 developed by Amgen. This should allow administration through intravenous infusion over one to four hours, rather than continuous infusion, which requires hospitalization or a portable pump over a six-week period with frequent reconstitution and refill of medication, as is necessary for blinatumomab. In preclinical studies, AFM11 compared to the blinatumomab reference compound also showed a 100-fold higher affinity to the CD3 receptor, resulting in up to 40-fold greater cytotoxic potency at low T-cell counts. We have begun a phase 1 dose ranging study of AFM11 designed to evaluate safety and tolerability and to potentially assess anti-tumor activity after four weeks of therapy in NHL patients, and subsequently in ALL patients. We expect to report top line data from this phase 1 trial in the second half of 2016.

Our third TandAb program, AFM21, is in preclinical development. AFM21 selectively binds Epidermal Growth Factor Receptor variant III, or EGFRvIII, a receptor that appears to be highly specific for solid tumors and is prominent in a significant portion of patients with glioblastoma, hormone refractory prostate cancer and head and neck cancer. AFM21 also binds CD3, directing T-cells to destroy tumor cells that carry EGFRvIII. Through access to our proprietary antibody libraries, we isolated an antibody that binds to EGFRvIII but not to wild-type EGFR, which is also expressed on many healthy tissues. In preclinical studies, AFM21 has demonstrated an ability to selectively kill EGFRvIII-carrying cells and not wild-type EGFR. We plan to initiate IND-enabling studies of AFM21 in 2015.

We generate our pipeline of product candidates from three proprietary platform technologies based on our proprietary tetravalent antibody architecture characterized by four binding domains (in a TandAb, two for immune cell targeting and two for tumor cell targeting; and in a Trispecific Ab, two for immune cell targeting and one each for two distinct tumor cell targets) (see illustration below):

- NK-cell TandAbs—These bispecific antibodies are designed to bind with high affinity to a specific target on a tumor cell and to NK-cells and thereby direct the NK-cell to eliminate the tumor cell.
- T-cell TandAbs—These bispecific antibodies are designed to bind with high affinity to a specific target on a tumor cell and to T-cells and thereby direct the T-cell to eliminate the tumor cell.
- Trispecific Abs for dual targeting of tumor cells—These antibodies are designed to bind with high affinity to two different targets on the tumor cell and to either T-cells or NK-cells and thereby direct the T-cell or NK-cell to eliminate the tumor cell.

Illustrations of TandAbs and Trispecific Ab



Our TandAb antibodies are designed to have the following properties::

- dual or trispecific targeting;
- binding with high specificity, or selectivity;
- binding with high affinity, or strength;
- molecular weight allowing for intravenous administration over one to four hours; and
- stable structure conducive to efficient and cost-effective manufacturing.

In 2009 we formed AbCheck, our 100% owned, independently run antibody screening platform company. AbCheck is devoted to the generation and optimization of fully human antibodies. Its technologies include a combined phage and yeast display antibody library and a proprietary algorithm to optimize affinity, stability and manufacturing efficiency. In addition to providing candidates for Affimed projects, AbCheck is recognized for its expertise in antibody discovery throughout the United States and Europe and has previously worked with Eli Lilly and currently works with Daiichi Sankyo, Pierre Fabre and others.

In 2013, we entered into a license and development agreement, which amended and restated a 2012 license agreement, with Amphivena Therapeutics, Inc., or Amphivena, based in San Francisco, CA, to develop an undisclosed product candidate for hematologic malignancies in exchange for an interest in Amphivena and certain milestone payments. Amphivena received funding from MPM Capital, Aeris Capital and us. Amphivena has also entered into an agreement with Janssen Biotech, Inc., one of the Janssen Pharmaceutical Companies of Johnson & Johnson, or Janssen, that gives Janssen the option to acquire Amphivena upon predetermined terms following acceptance by the FDA of an IND filing for the product candidate. Affimed has successfully reached its first milestone: the generation of multiple candidate TandAbs with a well-specified target product profile.

Affimed was founded in 2000 based on technology developed by the group led by Professor Melvyn Little at Deutsches Krebsforschungszentrum, the German Cancer Research Center, or DKFZ, in Heidelberg. Our offices and laboratories are located at the Technology Park adjacent to the DKFZ in Heidelberg, where we employ 40 personnel, 27 of whom have an advanced academic degree. Including AbCheck personnel, our total headcount is 53. We are led by experienced executives with a track record of successful product development, approvals and launches, specifically of biologics. Our supervisory board includes highly experienced experts from the pharmaceutical and biotech industries, with a specific background in hematology. Affimed has attracted investments from top-tier venture capital firms, including Aeris Capital, BioMedInvest, Life Sciences Partners, the venture capital arm of Novo Nordisk A/S and OrbiMed.

Our Strengths

We believe we are a leader in developing cancer immunotherapies due to several factors:

- ***Our Lead Product Candidate, AFM13, is a First-in-Class NK-Cell Mediated Cancer Immunotherapy.*** AFM13 is a targeted immunotherapy that is in development for HL as a salvage therapy. To engage and activate NK-cells, we have engineered AFM13 with a unique binding specificity for CD16A. AFM13 binds to CD16A with approximately 1,000-fold higher affinity than native antibody molecules via the constant region. While native antibodies bind to CD16A and CD16B with similar affinity, AFM13 does not bind to CD16B at all. CD16B is expressed on the surface of neutrophils, which show

very limited anti-tumor activity and exist in such large amounts that little would be left for NK-cell binding and tumor cell killing were AFM13 not to be so selective for only CD16A. We believe that AFM13 is the only antibody in development that can specifically engage CD16A+ cells, in particular NK-cells, with very high affinity. Our recently completed phase 1 clinical trial demonstrated safety and activity of AFM13 in relapsed/refractory HL. The planned phase 2 program consists of a phase 2a trial to demonstrate proof of concept followed by a phase 2b trial which we believe could support an application for registration in relapsed/refractory HL patients. LLS has committed to co-fund the phase 2a study, a further indication of the promise this development candidate holds.

- ***Growing Pipeline of Product Candidates Focused on Key Cancer Indications.*** By leveraging our technology platform, we have built a growing pipeline of additional product candidates. Our second product candidate, AFM11, has demonstrated in preclinical studies highly specific and effective engagement of T-cells, inducing rapid and potent *in vitro* and *in vivo* tumor cell killing. AFM11 is expected to not require continuous infusion due to its half-life and has shown 100-fold higher affinity to CD3 compared to a reference molecule with the same sequence as Amgen's blinatumomab and we believe it may have an efficacy advantage, especially in immunocompromised patients. We are currently testing AFM11 in a phase 1 study in relapsed/refractory NHL patients. Our third product candidate, AFM21 (EGFRvIII / CD3) addresses a target that to date has been elusive and that is abundant in solid tumors, including glioblastoma, prostate cancer and head and neck cancer, but not found on healthy tissue.
- ***Strong Technology Base and Solid Patent Portfolio in the Field of Targeted Immuno-Oncology.*** We are a leader in the field of bi- and trispecific antibody therapeutics for the treatment of cancer. We have a patent portfolio that includes the tetravalent antibody platform itself. Further, we have a proprietary position in NK-cell engagement, specifically regarding binding domains directed at CD16A with no cross-reactivity to CD16B. We have more than a decade of experience in the discovery and development of such complex antibodies, and our molecular architecture allows for efficient and cost-effective manufacturing. In addition to supporting internal product development, we believe our strong intellectual property position can be used to support out-licensing and collaboration opportunities in the field of immuno-oncology.
- ***Retained Global Commercial Rights for our Product Pipeline.*** Our three pipeline product candidates AFM13, AFM11 and AFM21 are unencumbered. We retain all options to derive value from our product candidates, including commercialization in select markets when and if they are approved. To maximize the value of our platform, we will continue to explore partnerships to support the development or commercialization of our programs in certain territories.
- ***Experienced Management Team with Strong Track Record in the Development and Commercialization of New Medicines.*** Our management team has extensive experience in the biopharmaceutical industry, and key members of our team have played an important role in the development and commercialization of approved drugs. Our Chief Executive Officer Adi Hoess and our Chief Medical Officer Jens-Peter Marschner were members of the teams that developed and commercialized Firazyr® and Erbitux®, respectively.

Our Strategy

Our goal is to develop and commercialize targeted cancer immunotherapies aimed at improving and extending patients' lives. Key elements of our strategy to achieve this goal are to:

- ***Rapidly Advance the Development of our Clinical Stage Product Candidates.*** Our product development strategy initially targets relapsed or refractory patients who have limited therapeutic alternatives, which we believe will enable us to utilize an expedited regulatory approval process. Our planned phase 2 program for AFM13 consists of a phase 2a trial to demonstrate proof of concept followed by a phase 2b trial which we believe could support an application for registration in relapsed/refractory HL patients. For AFM11, we are currently conducting a dose escalation study, and if we identify a safe dose we plan to advance the program into phase 2 trials in various forms of relapsed/refractory NHL.

- ***Establish R&D and Commercialization Capabilities in the United States.*** We plan to retain rights for all of our product candidates, although in the future we may enter into collaborations that provide value for our shareholders. We intend to build a focused marketing and specialty sales team in the United States to commercialize any of our product candidates that receive regulatory approval. We also intend to establish a U.S. presence in order to expand our access to the talent pool, maintain better control over our studies conducted in North America, maintain and expand our scientific and medical network, further increase our interaction with the FDA and maintain a close relationship to the financial community.
- ***Use Our Technology Platforms and Intellectual Property Portfolio to Continue to Build our Cancer Immunotherapy Pipeline.*** We generate our product candidates from our proprietary antibody engineering technology platforms consisting of NK-cell TandAbs, T-cell TandAbs and Trispecific Abs**.** We plan to continue to leverage these technologies to develop new pipeline product candidates. We believe we can utilize our platforms to address additional targets that we may in-license in the future or identify internally. We intend to continue to innovate in our field and create additional layers of intellectual property in order to enhance the platform value and extend the life cycle of our products. We believe our strong intellectual property position can be used to support internal development as well as out-licensing and collaboration opportunities.
- ***Maximize the Value of our Collaboration Arrangements with LLS and Janssen.*** We have a research agreement with LLS under which LLS has committed to co-fund up to $4.4 million over two years for the phase 2a development of AFM13. We believe that this collaboration will also allow us to expedite patient enrollment for future trials by leveraging the LLS's existing relationships with key U.S. investigators. In 2013, we entered into a license and development agreement with Amphivena, which amended and restated a 2012 license agreement, to develop an undisclosed product candidate for hematologic malignancies in exchange for an interest in Amphivena and certain milestone payments. Amphivena has entered into an agreement with Janssen Biotech, Inc., one of the Janssen Pharmaceutical Companies of Johnson & Johnson, or Janssen, that gives Janssen the option to acquire Amphivena upon predetermined terms following acceptance by the FDA of an IND filing for the product candidate. Affimed has successfully reached its first milestone. We believe that these collaborations help to validate and rapidly advance our discovery efforts, technology platforms and product candidates, and will enable us to leverage our platforms through additional high-value partnerships. As part of our business development strategy, we aim to enter into additional research collaborations in order to derive further value from our platforms and more fully exploit their potential.
- ***Utilize AbCheck to Generate and Optimize Antibodies.*** We formed AbCheck in 2009 to leverage our antibody screening platform and partner with other biopharmaceutical companies in fee-for-service engagements. We use AbCheck's state-of-the-art phage and yeast display screening technologies and bioinformatics tools to identify antibodies that are optimal for the targets we or our customers select, and that we engineer into TandAbs or Trispecific Abs.

Immune System and Cancer Background

Immune System

The human immune system is a complex organization of tissues, cells and circulating plasma proteins that protects the body from invading pathogens and toxins. Immune cells are strategically positioned throughout the body for maximum effectiveness. There are two major lines of defense: the innate immune system, which provides an immediate, nonspecific initial response, and the adaptive immune system, which provides a response specifically adapted to the presence of a particular infectious agent, often presented on the surface of cells and known as an antigen. The immune system includes, among others:

- *NK-Cells*: NK-cells are part of the innate immune system and can display cytotoxic, or cell-killing, activity against "altered self" (virus-infected and cancerous) cells. They were named "natural killers" because they recognize altered structures without the need for antigen processing and presentation. NK-cells possess a large number of receptors that activate NK-cells to destroy deviant cells.

- *T-Cells*: T-cells are part of the adaptive immune system and only target cells that present antigen on their surface. The immune system recognizes a particular antigen and produces cytotoxic T-cells that bind to cells that present that antigen. As a result, billions of different structural variants can be recognized by the adaptive immune system, but each individual T-cell can only bind and respond to a single structure or molecule.

Although the human immune system is normally capable of recognizing foreign or aberrant cells, cancer cells have developed highly effective ways to escape the surveillance and defense mechanisms of the immune system which help them not to be recognized as foreign or aberrant and thus not be subject to attack. Increased understanding of the fundamentals of cellular and molecular tumor immunology has identified many ways in which the immune system can be augmented to treat cancer, including priming/boosting of the immune system, T-cell modulation, reducing immunosuppression in the tumor microenvironment and enhancing adaptive immunity. This new area of medicine has the potential to offer adaptable and durable cancer control across a variety of tumor types. Our bi- and trispecific antibody platforms enable a direct interaction of NK- or T-cells with cancer cells on the level of single cells leading to apoptosis, or programmed cell death, of the tumor cells.

Cancer

Cancer is a broad group of diseases in which cells divide and grow in an uncontrolled fashion, forming malignancies that can invade other parts of the body. In normal tissues, the rates of new cell growth and cell death are tightly regulated and kept in balance. In cancerous tissues, this balance is disrupted as a result of mutations, causing unregulated cell growth that leads to tumor formation. While tumors can grow slowly or rapidly, the dividing cells will nevertheless accumulate and the normal organization of the tissue will become disrupted. Cancers subsequently can spread throughout the body by processes known as invasion and metastasis. Once cancer spreads to sites beyond the primary tumor, it may be incurable. Cancer cells that arise in the lymphatic system and bone marrow are referred to as hematological malignancies. Cancer cells that arise in other tissues or organs are referred to as solid tumors.

According to the Centers for Disease Control and Prevention, cancer is the second leading cause of death in the United States. In the United States, 1.66 million new cases of cancer are expected to be diagnosed in 2014, and more than 580,000 deaths from cancer are expected to occur. The overall 5-year survival expectancy is currently approximately 66%. There are an estimated 13 million people currently suffering from cancer. According to a National Institute of Health analysis, medical costs associated with cancer reached $125 billion in 2010 and are projected to increase another 27% by 2020, to at least $158 billion.

The most common methods of treating patients with cancer are surgery, radiation and drug therapy. For patients with localized disease, surgery and radiation therapy are particularly effective. Drug therapies are generally used by physicians in patients who have cancer that has spread beyond the primary site or cannot otherwise be treated through surgery, such as most hematological malignancies. The goal of drug therapies is to damage and kill cancer cells or to interfere with the molecular and cellular processes that control the development, growth and survival of cancer cells. In many cases, drug therapy entails the administration of several different drugs in combination. Over the past several decades, drug therapy has evolved from non-specific drugs that kill both healthy and cancerous cells, to drugs that target specific molecular pathways involved in cancer.

An early approach to pharmacological cancer treatment was to develop drugs, referred to as chemotherapies or cytotoxic drugs, which kill rapidly proliferating cancer cells through non-specific mechanisms, such as disrupting cell metabolism or causing damage to cellular components required for tumor survival and rapid growth. While these drugs have been effective in the treatment of some cancers, cytotoxic drug therapies act in an indiscriminate manner, killing healthy cells along with cancerous cells. Due to their mechanism of action, many cytotoxic drugs have a narrow therapeutic window, or dose range above which the toxicity causes unacceptable or even fatal levels of damage and below which the drugs are not effective in eradicating cancer cells.

The next approach to pharmacological cancer treatment was to develop drugs, referred to as targeted therapeutics, including monoclonal antibodies, which are antibodies that are cloned from a single parent cell, that target specific biological molecules in the human body that play a role in rapid cell growth and the spread of cancer. Included in this category are small molecule drugs as well as large molecule drugs, also known as biologics. With heightened vigilance and new diagnostic tests, targeted therapies (including monoclonal antibodies such as Herceptin®, Rituxan®, Erbitux® and Avastin® as well as small molecules such as Nexavar® and Tarceva®), have resulted in improvements in overall survival for many cancer patients. More recently, antibodies have been developed that are optimized regarding their effector function, also known as F_C optimized antibody drugs, for example obinutuzumab. These molecules are designed to engage NK-cells and macrophages more effectively in the elimination of cancer cells.

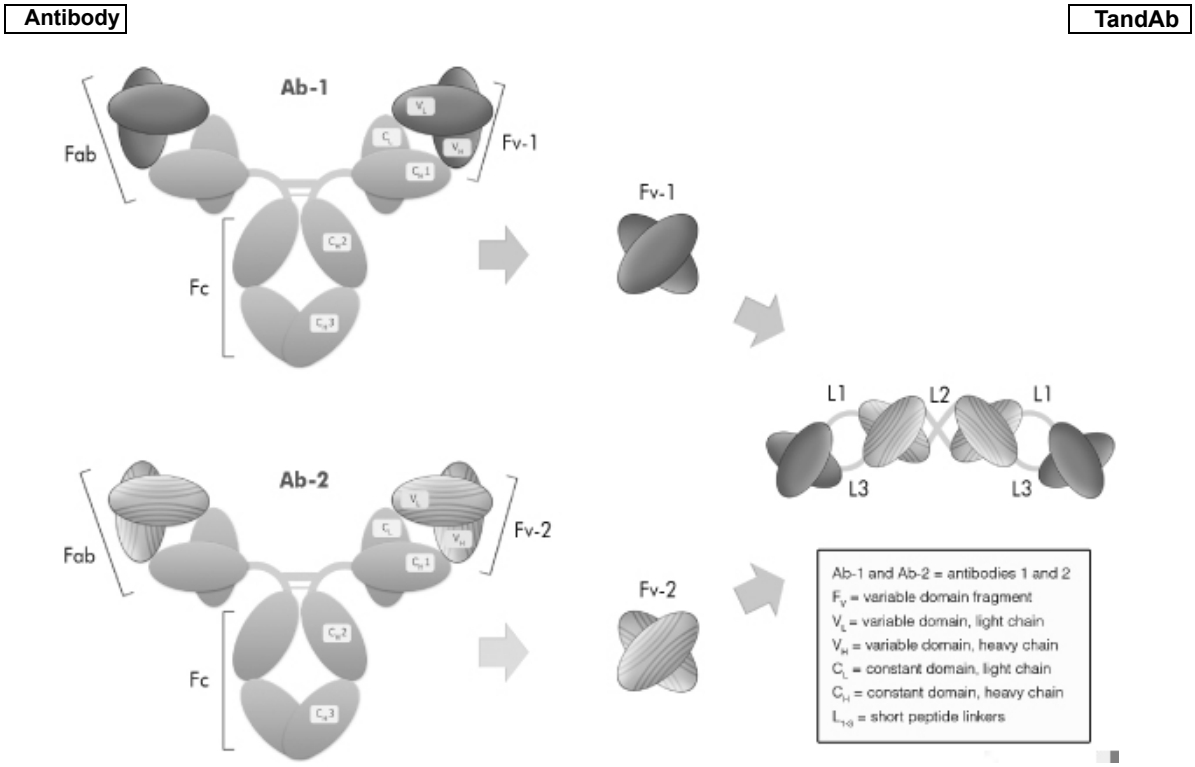
Cancer immunotherapy plays an increasing role among emerging cancer drug therapies. The intention is to harness the body's own immune system to fight tumor cells or in some cases reestablish or remove certain blockades or signaling cascades. There are different approaches: vaccinations, checkpoint inhibitors, immunomodulators, T-cell and NK-cell engagers, for example, bispecific antibodies, or cellular therapies involving transforming a patient's own T-cells to express chimeric antigen receptors (CARs). Ipilimumab (Yervoy®) and sipuleucel-T (Provenge®) were the first cancer immunotherapies to enter the market. Our platforms of bi- and trispecific antibodies add further promise to the field of immuno-oncology.

Our Technologies

Antibodies and Construction of a TandAb

Native, or naturally occurring, antibodies are Y-shaped proteins that are used by the immune system to target pathogens. Antibodies are comprised of two identical heavy chains and two identical light chains. The binding sites for target molecules are formed by the two variable domains of the heavy and light chains at the tips of the two arms, also referred to as F_V regions. The two F_V regions target the same antigen, and this bivalent binding to a receptor on the surface of a cell leads to an increase in binding strength. The F_C region can bind, recruit and activate immune system cells, including NK-cells, but not T-cells, to amplify the immune response to antigen bound by the F_V regions.

Structure of an Antibody and a TandAb



Our TandAbs consist of four FV domain fragments derived from two different parent antibodies. The FV regions of one antibody bind specifically to a disease target, such as CD30 on a tumor cell, and the FV regions of the other antibody bind specifically to receptors of an immune cell, such as an NK cell. In this way, our TandAbs are designed to bind with specificity to two different target cells. The FV domain fragments are connected by short peptide linkers. TandAbs are expressed from a single gene construct, and two chains of the resulting polypeptides assemble spontaneously to form the biologically active structure (a homodimer). Like the parent antibodies, a TandAb has two binding sites for each target: two domains bind to a receptor on an NK-cell or T-cell, and two bind to a receptor on tumor cells.

We have three proprietary platform technologies based on our proprietary tetravalent antibody architecture characterized by four binding domains:

- NK-cell TandAbs—These bispecific antibodies are designed to bind with high affinity to a specific target on a tumor cell and to NK-cells and thereby direct the NK-cell to eliminate the tumor cell.
- T-cell TandAbs—These bispecific antibodies are designed to bind with high affinity to a specific target on a tumor cell and to T-cells and thereby direct the T-cell to eliminate the tumor cell.
- Trispecific Abs for dual targeting of tumor cells—These antibodies are designed to bind with high affinity to two different targets on the tumor cell and to either T-cells or NK-cells and thereby direct the T-cell or NK-cell to eliminate the tumor cell.

We have established robust and efficient manufacturing processes for our TandAbs using a mammalian cell system, and they show good product stability. TandAbs are formulated as lyophilized powder and are

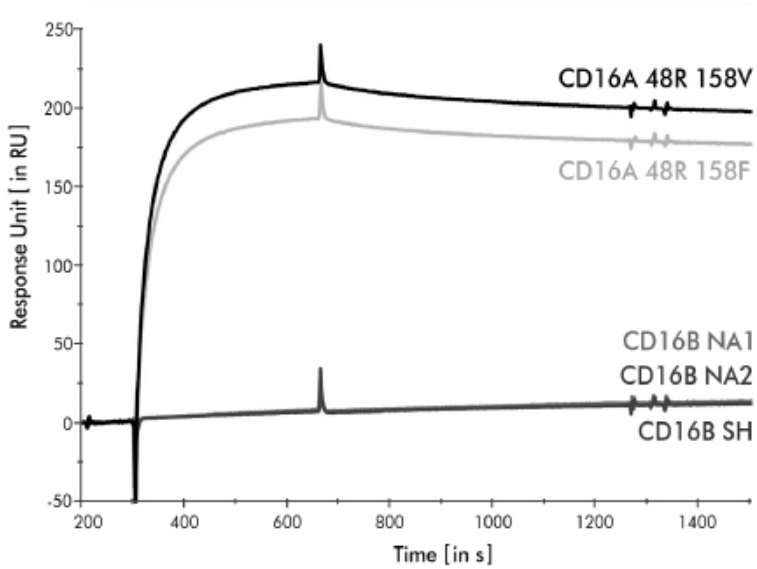
reconstituted for infusion. The mean half-life ($t_{1/2}$) of our lead TandAb AFM13 for dose cohorts ³ 1.5 mg/kg was 9-19 hours in humans, and AFM13 is administered one to three times weekly by intravenous infusion over a one to four hour period.

NK-cell TandAbs

The NK-cell expresses a large number of stimulatory and inhibitory receptors that regulate its activity and allow it to distinguish between healthy cells and foreign or aberrant cells. While NK-cells can bind to the F_C regions of native full-length antibodies to bring about a cytotoxic effect, our NK-cell TandAbs are designed to enhance the activity of NK-cells in killing targeted tumor cells. Our NK-cell TandAb bispecific antibody structures are designed to bind the FcgIIIA (CD16A) receptor on an NK-cell with high specificity and approximately 1,000-fold higher affinity than achieved by full-length antibodies and greater than 25-fold higher affinity compared to the best F_C-optimized versions of antibodies.

CD16A is an integral membrane glycoprotein found on the surface of NK-cells but not neutrophils. Other antibodies have been generated targeting CD16A; however, to our knowledge they all cross-react with CD16B, an isoform differing from CD16A by only a few amino acids. CD16B is expressed on neutrophils, which are the most numerous white blood cells (leukocytes), and blood plasma contains high levels of soluble CD16B cleaved from the daily turnover of apoptotic neutrophils. Thus CD16B is readily available to bind with any cross-reacting antibodies, and therefore neutralizes them. To engage and activate NK-cells, we have generated a highly effective optimized human antibody that targets the CD16A receptor and does not cross-react with CD16B (see figure below).

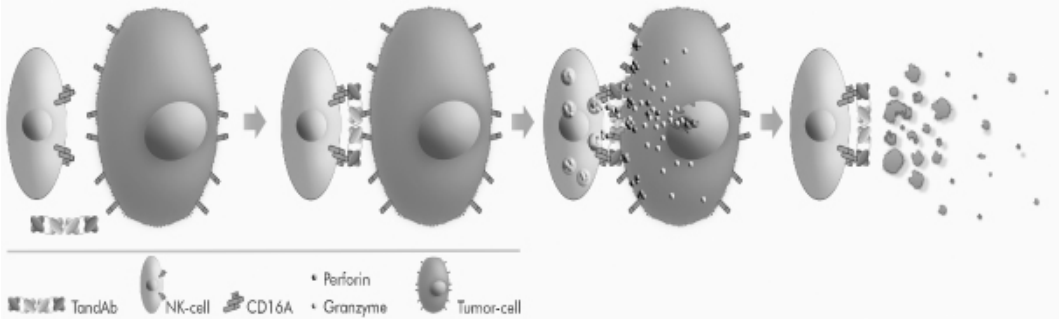
Binding of NK-cell TandAb to CD16A (high-and low affinity genetic variants (allotypes) 158V and 158F, respectively) and to CD16B (SH, NA1 and NA2 allotypes), the latter showing zero response (no binding)



When the CD16A receptor becomes tightly linked to a target molecule on the tumor cell by the TandAb, it generates a strong activating signal. This signal induces the NK-cell to release the proteins perforin and granzyme in the vicinity of the immunological synapse formed between the NK-cell and the tumor cell. Perforin creates pores in the tumor cell membrane, facilitating the entry of granzyme into the cancer cell where it catalyzes a cascade of enzyme reactions that results in the destruction of the cancer cell.

Our lead candidate NK-cell TandAb, AFM13, binds to CD30, a receptor found on the tumor cells of patients with HL and other CD30+ malignancies.

Schematic representation of the mode of action of an NK-cell TandAb



NK-cell with receptors CD16A and tumor cell with receptors CD30	NK-cell TandAb connects NK-cell and tumor cell and directs it to attack tumor cell	NK-cell releases perforin, creating pores in tumor cell membrane through which granzyme enters, triggering caspase cascade	Granzyme and caspase action trigger apoptosis of tumor cell. TandAb is released

T-cell TandAbs

T-cells do not bind directly to foreign structures, but instead launch an attack only once the foreign material is processed and small pieces thereof are presented to it. Our T-cell TandAbs are designed to tether a T-cell directly to a target on a tumor cell.

Our T-cell TandAbs are designed to bind with high affinity to the CD3 component of the T-cell receptor and a target molecule on the tumor cell. Once our T-cell TandAbs bind a T-cell to the tumor cell, the T-cell generates a strong activation signal that induces the release of the proteins perforin and granzyme described above and results in the destruction of the cancer cell. Our T-cell TandAbs have demonstrated in preclinical studies target-dependent cytotoxicity at low picomolar concentrations, which we believe may allow us to achieve therapeutic doses in the microgram range. In the absence of a tumor cell, the anti-CD3 antibody cannot be cross-linked and the T-cell thus remains inactive.

Our lead candidate T-cell TandAb, AFM11, binds to CD3 and CD19, a B-cell receptor found on malignant cells that cause leukemia or lymphoma, including NHL. The high potency of AFM11 has also been measured at low T-cell counts, which may be of particular benefit to patients whose immune systems are compromised, for example by chemotherapy.

The mode of action of T-cell TandAbs is similar to the mode of action illustrated above for NK-cell TandAbs, except that the T-cell exerts the cytotoxic effect rather than the NK-cell.

Trispecific Abs

Our Trispecific Abs platform could pave the way for cancer products with a substantially widened therapeutic window. Through our proprietary tetravalent domain structure, we have the ability to generate antibodies that exhibit three different binding sites. Such structures are normally challenging to make, but we have succeeded in generating such molecules and have found that they have all the features to be used as drug

candidates, such as manufacturability and stability. Our initial work is aimed at targeting two different tumor targets, and with a third functionality, engaging T-cells or NK-cells to exert a cytotoxic effect. Targeting two tumor targets allows for greater selectivity for cancer cells, sparing healthy tissue and resulting in a wider therapeutic window, or dose range within which the drug can be effective in eradicating cancer cells without causing unacceptable levels of side effects.

Our Target Markets

HL and CD30-positive Malignancies

HL is a type of lymphoma, which is a cancer originating from white blood cells called lymphocytes. CD30 is a cell membrane protein and tumor marker of different hematological malignancies of which HL is one of the more prevalent. There are approximately 9,000 new cases of HL in the United States every year and about 23,000 new cases in North America, the European Union and Japan.

Patients with newly diagnosed HL, depending on disease stage, are treated primarily with chemotherapy, usually in combination with radiotherapy. The current initial standard regimens are highly effective, but associated with acute and chronic toxicity. A number of patients are either refractory to or relapsing from standard therapy that included chemotherapy followed by Adcetris, and we believe these represent a total of approximately 4,000-5,000 patients every year in North America, the European Union and Japan.

Adcetris is the first approved targeted therapy for HL patients that are relapsed/refractory to second line treatments. Adcetris targets CD30, the same target as AFM13, but has a different mode of action, acting as a targeted chemotherapy, rather than as a targeted immunotherapy. As an antibody drug conjugate, Adcetris delivers a toxin (monomethyl auristatin E) to the cells that carry the CD30 receptor. The toxin is internalized by the tumor cell, which is then destroyed. In a phase 2 clinical trial, Adcetris treatment in relapsed/refractory HL patients resulted in an overall response rate of 75% and a complete response rate of 34%. However, the median progression free survival after Adcetris is only 5.6 months. In addition, the treatment is associated with considerable adverse events like neutropenia (low neutrophils) and neuropathy (damage to the peripheral nervous system).

Other CD30+ hematological malignancies include CD30+ T-cell lymphoma, or TCL, and CD30+ diffuse large B-cell lymphoma, or DLBCL (approximately 25% of DLBCL tumors express CD30), which together contribute approximately 6,000-8,000 relapsed/refractory cancer cases per year in North America, the European Union and Japan.

NHL

Among a large group of lymphomas, at least 80% belong to the NHL group. These cancers can originate from either malignant B-cells or T-cells, whereby B-cell derived NHL comprises the vast majority. NHL includes precursor B-cell tumors and 12 distinctly-defined mature B-cell tumors, among them DLBCL, follicular lymphoma, or FL, and mantle cell lymphoma, or MCL. The latter three subtypes are the focus of the clinical development of AFM11. The total annual incidence of all B-cell lymphoma subtypes in North America, the European Union and Japan is about 160,000 cases, of which 70,000 are in the United States. DLBCL alone represents about 46,000 new patients in North America, the European Union and Japan every year, and currently some 20,000 patients with DLBCL relapse from or become refractory to a series of standard treatments every year.

There is a high medical need for new treatment options in NHL, both in the first line setting and in the relapsed/refractory setting. Standard first line treatment of patients with NHL consists of the CHOP chemotherapy regimen. The regimen is usually combined with rituximab (an anti CD20 antibody). While this regimen results in a durable response for the majority of patients with aggressive disease, in patients with indolent, or slowly progressing, disease, the chemotherapy is less effective. The effect of treatments in relapsed/refractory NHL also depends on the type of disease. For instance, response rates achieved with new targeted therapies in follicular lymphoma (FL) or mantle cell lymphoma (MCL) are at least partially promising

and ibrutinib (Impruvica®) was approved in the US for MCL in 2013 based on phase 2 data showing a response rate of 66%. However, in diffuse large B-cell lymphoma (DLBCL), the largest group within NHL, data are less promising with response rates usually not exceeding 30%. Promising results for this patient population were seen with blinatumomab, a bispecific antibody with the same disease target and immune cell target as AFM11 (CD19/CD3). Preliminary data of a phase 1 study in relapsed/refractory NHL patients (n=7) showed a response rate of 57%. In addition, the first data from a phase 1 trial investigating a CD19-targeting CAR T-cell therapy in NHL showed a response rate of almost 80% (11 out of 14 patients).

Other CD19-positive Malignancies

ALL, an aggressive type of leukemia characterized by an overproduction of lymphocytes in the bone marrow and the peripheral blood, is also primarily a B-cell disease and exhibits the CD19 receptor. According to the National Cancer Institute, in 2013 an estimated number of 6,000 ALL cases were newly diagnosed in the United States, more than half in children and adolescents. Treatment of patients with ALL usually consists of a regimen that includes vincristine, prednisone, and an anthracycline, with or without asparaginase, and results in a complete response rate of up to 80% in patients aged 1-18 years; for adults, complete response rates are considerably lower (about 30% for patients above 40 years of age). There are no satisfactory standard curative treatment options in the relapsed/refractory setting.

CLL, the most common type of leukemia in adults, exhibits the CD19 receptor as well. Malignant B-cells accumulate in the bone marrow and blood, where they crowd out healthy blood cells. In the United States about 16,000 new CLL cases are expected to be diagnosed and about 4,600 patients are expected to die from CLL annually.

There are many studies with investigational drugs ongoing in CD19+ malignancies, including CD19-targeting immunotherapies. Blinatumomab, which focuses on ALL, is in late-stage development, and CARs are in early-stage development for several CD19+ malignancies. Both are showing high response rates.

EGFRvIII-positive Malignancies

The EGFRvIII receptor appears to be highly specific for solid tumors and is prominent in glioblastoma, prostate and head and neck cancer. In the United States alone as many as 290,000 patients are newly diagnosed with these three diseases every year. The incidence of EGFvIII on solid tumors was investigated more than a decade ago, as shown in the table below.

Incidence of EGFRvIII in Human Cancers

TUMOR TYPE	POSITIVE/TOTAL	PERCENT POSITIVE	DETECTION TECHNIQUE
Glioblastoma	16/31	52%	Immunohistochemistry
	35/62	56%	Western blotting
	9/38	24%	RT-PCR
	8/12	67%	Immunohistochemistry
	7/12	58%	Western blotting
	5/12	42%	RT-PCR
	32/48	67%	cDNA sequencing
Breast	3/11	27%	Immunohistochemistry
	8/10	80%	RT-PCR
	21/27	78%	Western blotting
Ovary	24/32	75%	Western blotting
Non-small cell lung	5/32	16%	Immunohistochemistry
Prostate	38/38	100%	Immunohistochemistry

Source: Current Cancer Drug Targets 2(2), 2002.

In addition, EGFRvIII has been reported to be expressed in 40-80% of patients with head and neck cancer.

Current treatment options for solid tumors consist of a mix of surgery, chemotherapy, radiotherapy and targeted therapies. While historically chemotherapy or radiotherapy regimens were standard, now tumor specific biomarkers are considered more frequently in order to make a decision for optimal treatment of the individual patient. This opportunity was primarily driven by the development of innovative targeted therapies, in particular monoclonal antibodies and tyrosine kinase inhibitors. For example, prior to the treatment of non-small cell lung cancer the tumor is investigated for histology (adenocarcinoma vs. non-adenocarcinoma), K-RAS mutation, EGFR mutations, EML4-ALK mutation, BRAF expression, HER2 expression and others. A treatment decision is then made based on biomarkers in order to tailor treatment to the patient. In general, the treatment of solid tumors shows a clear trend towards an individualized treatment, also known as personalized medicine.

Monoclonal antibodies play an important role in the treatment of solid tumors. Herceptin, Erbitux and Avastin were first approved about 10 years ago and are now well established in the treatment of many different cancer entities. Erbitux is considered standard in the treatment of head and neck cancers, Herceptin for the treatment of breast cancer and Avastin has shown efficacy in patients with prostate, ovarian and lung cancer. Hormonal therapy plays a role in certain tumors the growth of which is triggered by hormones: breast cancer, ovarian cancer and prostate cancer. In addition, immunotherapies play an increasing role. The first immunotherapies became standard treatments about 3 years ago: the vaccine Provenge (Sipulucel-T) in prostate cancer and the checkpoint inhibitor Ipilimumab (anti CTLA-4) in melanoma. Many trials with cancer immunotherapies are ongoing, in particular with the check point inhibitors anti-PD1, anti PDL-1 and anti CTLA-4. It is expected that checkpoint inhibitors will be approved for the treatment of different solid tumors soon, for example, for lung cancer and ovarian cancer. While considerable progress was made over the last decade in the treatment of solid tumors, there are some cancer types for which new treatments have not provided survival benefit for patients, one of which is glioblastoma. Overall, cure is still the exception for the majority of late stage tumors, in particular metastatic tumors, and the medical need for new and safe treatment approaches remains generally high for solid tumors.

The focus for the development of our EGFRvIII TandAb will initially be on glioblastoma, prostate cancer and head and neck cancer, for which a considerable proportion of patients is EGFRvIII positive. According to the National Cancer Institute, 22,900 patients are newly diagnosed with brain tumors per year in the United States, and about 15% of them suffer from glioblastoma. These patients are usually treated with a combined approach of surgery, radiotherapy and chemotherapy with temozolomide playing a central role. Although many new treatment approaches have been investigated over the last decade, none showed a meaningful benefit for patients to date.

Prostate cancer is the second most frequently diagnosed cancer and the sixth leading cause of cancer death in males worldwide. There are about 233,000 new cases per year in the United States, according to the National Cancer Institute. Treatment depends on many factors and, depending on stage, surgery, radiotherapy, hormonal therapy (for example, arbiraterone), chemotherapy (for example, docetaxel), targeted therapies (for example, Avastin) and/or immunotherapy (Provenge) are utilized.

About 52,000 new cases of head and neck cancer are diagnosed per year in the United States, according to the National Cancer Institute. Depending on stage, location and biomarkers of the disease, treatment consists of surgery, radiotherapy, chemotherapy (platinum based) and/or targeted therapy (for example, Erbitux or tyrosine kinase inhibitors).

Our Product Candidates

Our development pipeline currently comprises three distinct product candidates for which we retain full commercial rights. Initially, we will pursue indications in which the medical need is high and for which there is a significant population of patients needing treatment in the salvage setting in the hope to expedite the

time to market. If and when we obtain approval for our product candidates as salvage therapies, we plan to explore whether they could also be used as first- or second-line treatments, most likely in combination with one or more treatments that comprise the existing standard of care. All of our product candidates have the potential to target several indications, which could represent significant incremental commercial opportunities in the future.

AFM13

Overview

AFM13 is a first-in-class NK-cell TandAb that we have engineered to bind with high affinity to CD30 expressing tumor cells while at the same time binding to CD16A surface proteins to activate NK-cells. AFM13 is intravenously administered in order to recruit NK-cells in peripheral blood and transport them to the tumor by binding to CD30. AFM13 has several advantageous characteristics:

- By targeting CD16A, AFM13 binds with NK-cells but not neutrophils and is therefore more selective than full-length antibodies that bind to both CD16A and B.
- Preclinical experiments have demonstrated that the cytotoxic potency of AFM13 is consistently higher than native and F_C-enhanced anti-CD30 full-length antibodies.
- AFM13 has the potential to be effective for all existing, known and relevant genetic variants of CD16A.

The clinical and preclinical data that we have accumulated to date suggest that AFM13 appears to be well differentiated from Adcetris, the first approved targeted therapy for HL patients that are relapsed/refractory to second line treatments. Although AFM13 employs the same disease target as Adcetris (CD30), the two compounds are fundamentally different in their mechanism of action: Adcetris is a targeted chemotherapy, while AFM13 is a targeted immunotherapy. Adcetris delivers a toxin (monomethyl auristatin E) to the cells that carry the CD30 receptor, and the cell is killed by the action of the toxin after its internalization and release from the antibody. In contrast, AFM13 does not need to enter the cell, but serves as a connector on the cell surface between the CD30 receptor and an NK cell. Once the cells are in contact, the killing activity of the NK-cell is triggered.

Tumor cells have the ability to activate a multi-drug resistance system, or MDR, which we believe may contribute to the development of resistance to Adcetris. The MDR, however, does not affect the efficacy of an immunotherapy like AFM13. We believe that this difference may not only translate into efficacy of AFM13 in patients relapsing from Adcetris therapy, but ultimately into a longer clinical benefit. In addition, the off-target toxicity of Adcetris' toxin monomethyl auristatin E causes severe neutropenia (low neutrophils) and neuropathy (damage to the peripheral nervous system). We believe AFM13 may avoid these side effects because it does not introduce a toxin such as monomethyl auristatin E into the cells. Hence, AFM13 may address Adcetris' safety limitation, and because of the immunological approach, AFM13 may also address the short duration of response of Adcetris.

Clinical development of AFM13

We have conducted a phase 1 dose escalation clinical trial in patients with relapsed/refractory HL and are planning to commence a phase 2a clinical trial in the fourth quarter of 2014. The results of the phase 1 trial and the phase 2a trial design have been discussed with the FDA and the Paul Ehrlich Institute, or PEI, the German Competent Authority, and our development strategy incorporates the guidance received. AFM13 has been granted orphan drug status for the treatment of HL in the United States and the European Union.

AFM13-101 phase 1 dose escalation clinical trial

We conducted a phase 1 clinical trial of AFM13, AFM13-101, in patients with HL from September 2010 to April 2013. All patients in this trial suffered from heavily pretreated relapsed/refractory disease and had documented progression of disease at study entry. The objectives of the trial were: to determine the safety and tolerability of increasing doses of single cycles of AFM13 as a monotherapy; to determine the maximum tolerated dose and optimal biological dose of AFM13; to determine the pharmacokinetic (PK) profile of

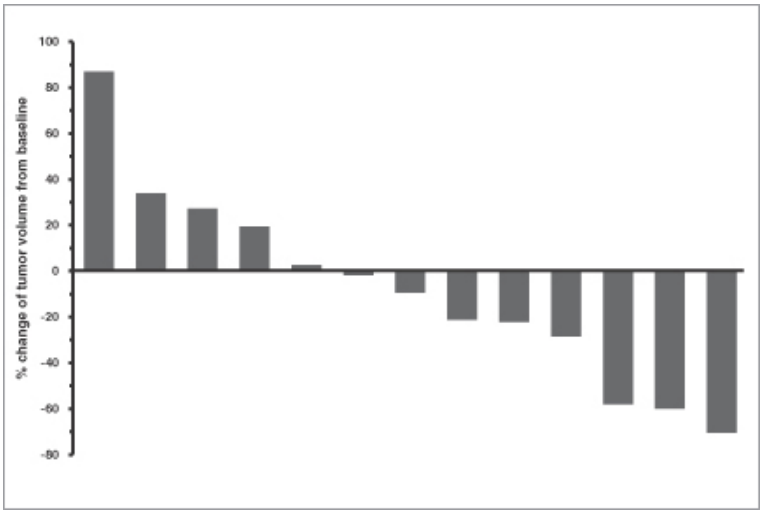
AFM13; to analyze immunological markers, NK-cell activity, NK-cell markers, serum outcome markers and cytokine release; to assess the immunogenicity, or ability to provoke an immune response, of AFM13; and to assess the activity of AFM13. The phase 1 trial was conducted in Germany and the United States. We submitted a CTA for the phase 1 trial to the PEI in May 2010 and an IND application to the FDA in June 2010.

The trial enrolled 28 patients (16 males, 12 females) in eight dose cohorts. In the dose escalation part, 24 patients received increasing doses of AFM13 ranging from 0.01 mg/kg to 7.0 mg/kg on a weekly dosing schedule for four weeks. In addition, four patients were treated with 4.5 mg/kg twice weekly for four weeks. Of the 28 patients, 14 had refractory disease and the remainder had relapsed disease. The patients had received a median of six (range three to 11) previous lines of therapy for HL. Nine patients had previously received Adcetris.

The clinical results were first presented to the medical community by Professor Andreas Engert, University Hospital of Cologne, the lead investigator for the study, at the Lugano International Meeting on Malignant Lymphoma in 2013. AFM13 showed an acceptable safety profile. An independent data monitoring committee, or IDMC, was responsible for the review of safety data on an ongoing basis. It was concluded that the maximum feasible single dose of 7 mg/kg was reached without any toxicity concerns, and consequently the maximum tolerated dose was not reached. The four patients who were treated with 4.5 mg/kg twice weekly completed treatment without raising any toxicity concerns for the IDMC. The most common adverse events were fever and chills, and in general, they were of mild to moderate severity. Overall, less than 30% of all adverse events were severe.

Twenty-six of 28 patients were eligible for efficacy evaluation. For the remaining two patients, efficacy assessments have not been performed. Of the 26 patients, three had a partial remission, 13 had stable disease and 10 had disease progression as best overall response. With the exception of the 0.04 mg/kg dose cohort, anti-tumor activity was observed at all dose levels tested but was more pronounced at or above 1.5 mg/kg. In this subgroup (n=13), 3 partial responses (≥50% tumor shrinkage) and 7 cases with stable disease were observed, with an overall response rate of 23% (3/13) and a disease control rate of 77%. The chart below shows for these 13 individual patients the best overall response measured as a percentage change in tumor volume from baseline (baseline = 0 at the y-axis) The volume is calculated as sum of perpendicular diameters (SPD) for selected lesions of the tumors based on CT-scans.

AFM13-101 Best Overall Response in % Change in Tumor Volume from Baseline in 13 Patients who Received ≥ 1.5 mg/kg



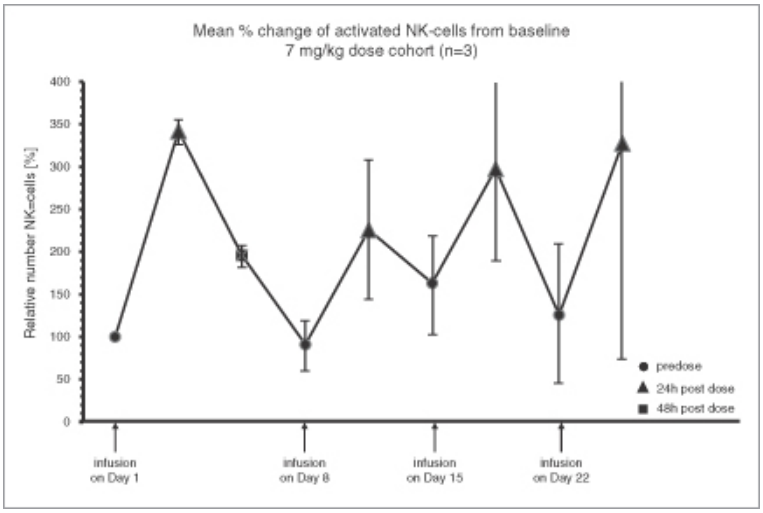
Six of seven patients refractory to Adcetris as their most recent treatment experienced stabilization of disease, or SD, following AFM13 treatment. One experienced progressive disease, or PD.

AFM13-101 Data for Patients Refractory to Adcetris as Immediate Prior Therapy

PATIENT	AFM13 DOSE (mg/kg)	# PRIOR TREATMENTS	MOST RECENT TREATMENT	TIME LAST ADCETRIS-FIRST AFM13	AFM BEST RESPONSE
001-01	0.01 weekly	6	Adcetris, 5 cycles	1 month	SD
001-02	0.01 weekly	7	Adcetris, 8 cycles	1 month	SD
001-07	0.15 weekly	11	Adcetris, 7 cycles	3 months	SD
001-11	0.5 weekly	7	Adcetris, 5 cycles	3 months	SD
001-12	0.5 weekly	7	Adcetris, 9 cycles	1 month	SD
003-01	0.5 weekly	9	Adcetris, 4 cycles	1.5 months	SD
001-21	4.5 twice	8	Adcetris, 8 cycles	2.5 months	PD

Certain biomarkers indicated dose-dependent effects suggesting most active doses at or above 1.5 mg/kg. PK data were assessed in patients of all dosing cohorts. A dose proportional increase of systemic exposure (AUC0-¥ (or Area Under the Curve from zero to infinity in a plot of the concentration of the drug in blood plasma against time, which represents the total drug exposure over time) and Cmax (or the maximum (or peak) concentration of the drug measured in plasma after the drug has been administered)) was observed. AFM13 was detectable in peripheral blood up to 168 hours post infusion in the highest dosing cohort. The mean half-life ($t_{1/2}$) for dose cohorts ³ 1.5 mg/kg was 9-19 hours. AFM13 treatment resulted in an increase of activated NK-cells, which are characterized by CD69 expression at their surface. There was a trend showing that higher doses result in a more pronounced increase of CD69+ NK-cells. Moreover, CD69 levels rose after AFM13 administration and fell to about baseline prior to the next dose (see figure below), indicating a pattern that reflected the PK of AFM13. All 28 patients in the study had measurable levels of soluble CD30, or sCD30, at the start of AFM13 treatment. sCD30 is shed by the tumor and measurable in peripheral blood. In 24 patients the level was decreased at the end of treatment. Patients treated in dosing cohorts ³1.5 mg/kg all had a marked decrease of sCD30.

AFM13-101: Relative number of activated (CD69⁺) NK-cells in patients receiving 7 mg/kg AFM13 (mean, n=3)



Based on the phase 1 data we concluded, together with experts and authorities, that AFM13 has a favorable safety profile. In addition, AFM13 showed activity in terms of tumor response and pharmacodynamics (PD), even in Adcetris refractory patients. However, PK and PD indicate that the dose regimen has to be optimized and that the measured clinical effect is likely to underestimate the potency of AFM13 in HL. Consequently, in the phase 2a proof of concept study, the dose has to be $\geq$ 1.5 mg/kg; AFM13 has to be administered more frequently, at least for a certain time; the treatment duration has to be longer than four weeks; and a second cycle has to be mandatory in patients that showed benefit from AFM13 treatment in the first cycle, i.e. complete response, partial response or SD.

Anticipated phase 2a clinical trial

Based on the results of our phase 1 trial and discussions with the FDA and the PEI, we are preparing a phase 2a clinical trial of AFM13. We anticipate enrolling 40-50 patients with relapsed/refractory HL that have been treated with Adcetris. In the first part of the trial, an optimized dose regimen will be selected which will then be further investigated in the second part. Treatment duration will be eight weeks per cycle. After four weeks off therapy, patients will receive a second cycle of treatment if the tumor growth is stopped, that is, stable disease, partial or complete response. The primary endpoint will be tumor response. We have designed the trial to demonstrate a response rate of greater than 30% for the selected dose as clinical experts consider a response rate of greater than 30% and a progression free survival time of greater than six months to be clinically meaningful for this patient population. Duration of response and progression free survival are secondary endpoints as we believe these time parameters, which indicate durability of efficacy, may differentiate AFM13 from Adcetris. A phase 2a trial is planned to be conducted in Germany. We anticipate submitting a CTA to the PEI and an IND application to the FDA in the second half of 2014. We plan to commence recruitment of patients in the fourth quarter of 2014. We expect that the dose will be selected in the second half of 2015 and that data on the primary endpoint will be available in the second half of 2016.

LLS has committed to co-fund up to $4.4 million over two years for the phase 2a development of AFM13, a further indication of the promise this development candidate holds.

If proof of concept is demonstrated in this phase 2a study, we plan to initiate a phase 2b study in relapsed/refractory HL with the target to have the first patient recruited by the end of 2016. The exact design of this study would depend on the results of the phase 2a study and the end-of-phase-2 meetings with the FDA and European authorities. However, we anticipate that approximately 100 patients would be recruited and the trial would run for approximately 2 years.

We believe that the phase 2b trial could support an application for registration in relapsed/refractory HL. This belief is based on the fact that AFM13 is being developed for an indication with high medical need because no other established treatment options are available for the targeted patient population. According to experts and based on results of scientific advice from the FDA, an overall response rate of at least 30% and a progression free survival of at least 6 months is considered clinically meaningful for this population.

Competent authorities, including the FDA, have regulations in place that allow for an accelerated approval procedure in indications with high medical need. Recently, Janet Woodcock, Director of the FDA's Center for Drug Evaluation and Research, summarized the intention of the FDA to help patients by streamlining drug approval procedures under certain circumstances. There are also numerous precedents for such approval strategies. For example, Adcetris received accelerated approval in 2011 based on data from an open label phase 2 study in 102 patients with relapsed/refractory HL.

We discussed the development strategy of AFM13 with the FDA in a Scientific Advice Meeting held on February 19, 2014. The FDA stated that although it is possible to attain accelerated approval based on the strategy we outlined, more data from our clinical development program are needed to assess whether an accelerated approval procedure is reasonable. Once we are in possession of those data after the conclusion of our phase 2a trial, we intend to agree with the FDA on the precise requirements for approval in the context of an end-of-phase 2 meeting.

Subsequent development plan for AFM13

We are initially developing AFM13 for patients with relapsed/refractory HL, and we believe that AFM13 could have a broader application because it targets CD30, which is present on many cancer indications with a high unmet medical need. Depending on the results of our phase 2a trial of AFM13, in addition to pursuing a registration study for patients with relapsed/refractory HL, we may investigate AFM13 as a first- or second-line treatment for HL, either in combination with chemotherapy or as maintenance therapy, or as a salvage therapy for CD30+ TCL or CD30+ DLBCL.

AFM11

Overview

AFM11 is a T-cell TandAb that we have engineered to bind with high affinity to both the CD19 receptor on certain tumor cells and CD3, a component of the T-cell receptor complex. CD19 is expressed on multiple B-cell malignancies, including various forms of NHL, ALL and CLL.

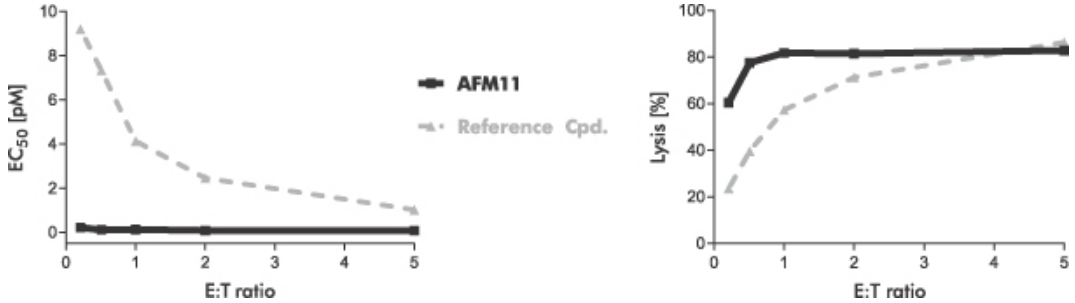
AFM11 has three advantageous characteristics:

- To activate CD3 on the T-cell, AFM11 needs to bind to both targets. Thus, if there is a lack of CD19+ cells, no T-cell activation can be expected.
- AFM11 has a molecular weight of 104 kDa. As shown for AFM13, which has a similar molecular weight, we believe AFM11 should have a half-life that allows for administration through intravenous infusion over one to four hours rather than continuous infusion (as needed for blinatumomab, which has a molecular weight of 55 kDa).
- AFM11 is characterized by a high affinity to CD3, resulting in greater cytotoxic potency, especially at low T-cell counts. We believe that this may be important in immunocompromised patients.

The most promising clinical data for patients with relapsed/refractory B-cell malignancies is with blinatumomab, a bispecific antibody with the same disease target and immune cell target as AFM11 (CD19/CD3). The response rates observed with this molecule in clinical trials with patients with ALL are higher than those obtained with other experimental and approved treatments used currently in the salvage setting. Moreover, in ALL trials the complete responses were all molecular responses, that is CD19+ cells were completely ablated such that none were detectable with the most sensitive techniques available. Molecular response means absence of minimal residual disease, which is a predictor of long-term outcome, and hence this therapy may translate into extended progression-free survival and also overall survival.

The preclinical data that we have accumulated to date suggest that AFM11 appears to be well differentiated from blinatumomab. AFM11 has a molecular mass of 104kD, which should allow intravenous administration over one to four hours rather than continuous infusion, which is necessary for blinatumomab and requires initial hospitalization for monitoring followed by an at-home portable pump over a period of up to eight weeks. In preclinical studies comparing AFM11 to a reference molecule made with the same sequence as blinatumomab, AFM11 showed a 100-fold higher affinity to the CD3 receptor, resulting in greater cytotoxic potency. Unlike the reference compound for blinatumomab, for which cytotoxic potency decreases at lower effector cell to tumor cell ratios, AFM11's cytotoxic potency remains constant. Specifically, when tumor cells are 5x the number of T-cells (effector cell to tumor cell or E:T = 0.2), AFM11's potency is 40-fold higher than that of blinatumomab (figure below, left). In another experiment, AFM11 led to more complete tumor cell lysis (death) at low T-cell counts when compared to a blinatumomab reference compound (figure below, right). These findings may be of clinical importance because patients that have been treated with chemotherapy suffer from lymphopenia with a significant reduction in absolute T-cell numbers. These findings could theoretically also be of significance in tumor masses, which are poorly vascularized and to which T-cells have limited access.

Cytotoxic potency (effective concentration (EC) for 50% cell lysis) of AFM11 in comparison to a reference compound with the same sequence as blinatumomab at various effector cell (T-cell) to tumor cell ratios. Left: cytotoxicity (stronger, if lower EC_{50}); right: % cell lysis at 10 pM antibody concentration.



Clinical Development of AFM11

AFM11-101 phase 1 dose escalation clinical trial

In May 2014 we initiated a phase 1 clinical trial to assess the safety of AFM11 in patients with relapsed/refractory CD19+ NHL and ALL. AFM11 will be administered using doses from 0.0003 up to 2.5 µg/kg per infusion. The first part of the study is focused on NHL. Patients with several subtypes of NHL will be included as long as they have received at least one rituximab-based chemotherapy regimen. If dose and dose regimen for AFM11 is identified for treatment of NHL, ALL patients will be recruited in a second part of the study. The phase 1 trial is ongoing at two German sites. We plan to recruit a third site in the United States in the second half of 2014. We submitted a CTA to the PEI in October 2013 and an IND application to the FDA in November 2013. A protocol amendment was submitted to both competent authorities in the first quarter of 2014.

The objectives of the first part of this study are to determine the safety and tolerability of increasing doses of a single cycle of AFM11 monotherapy in NHL patients; to determine the maximum tolerated dose or optimal biological dose in NHL patients; to assess the PK of AFM11 in plasma in NHL patients; to assess the biological activity of AFM11; to assess PD markers in blood in NHL patients; to assess the anti-tumor activity of AFM11 after 4 weeks of therapy in NHL patients; and to recommend the dose for phase 2a studies in NHL patients. The second part of this study covers comparable objectives in CD19+ ALL patients.

The duration of the trial and number of patients treated will vary depending on the number of dose escalations. We anticipate that the trial will last about 1.5-2 years (until the second half of 2015 or the first half of 2016). We expect to report top line data from this phase 1 trial in the second half of 2016.

Subsequent development plan for AFM11

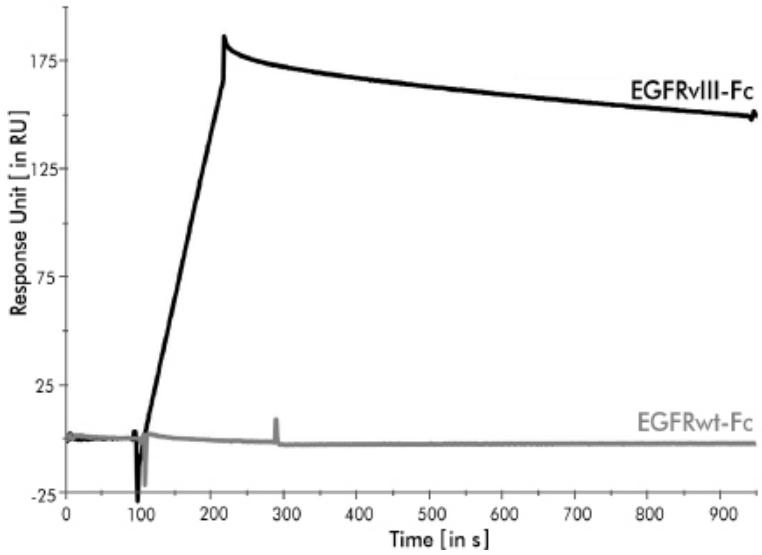
If our phase 1 clinical trial of AFM11 is successful, we may consider a number of options for the clinical development of AFM11. Our current clinical development plan focuses on NHL, in particular the subtypes DLBCL, FL and MCL. Upon conclusion of our phase 1 clinical trial, we will decide which, if any, NHL subtype we wish to develop AFM11 for and/or whether to develop AFM11 for ALL.

AFM21

AFM21 selectively binds Epidermal Growth Factor Receptor variant III, or EGFRvIII, a receptor that appears to be highly specific for certain solid tumors and is prominent in a significant proportion of patients with glioblastoma, hormone refractory prostate cancers and head and neck cancers. AFM21 also binds CD3, directing T-cells to destroy tumor cells that carry EGFRvIII. Through our access to proprietary antibody

libraries, we isolated an antibody that binds to EGFRvIII but not to wild-type EGFR, which is also expressed on many healthy tissues. In preclinical studies, AFM21 has demonstrated an ability to selectively kill EGFRvIII-carrying cells and not those expressing wild-type EGFR. We plan to further investigate expression rates of EGFRvIII on several solid tumor entities using the receptor of the TandAb we are developing. We will make the final selection of our disease target(s) based on such data. We plan to conduct IND-enabling studies in 2015 and 2016.

Binding of AFM21 to EGFRvIII (upper curve, K_D= 0.39 nM) and wild-type EGFR (EGFRwt, lower curve), the latter showing zero response (no binding)



AbCheck

AbCheck is our wholly owned, independently run proprietary antibody screening platform company. AbCheck combines three different technologies to supply high-quality antibodies to us as well as others on a fee-for-service basis. AbCheck offers phage display antibody libraries, yeast display and affinity maturation algorithm technologies. AbCheck is currently working with Daiichi Sankyo and Pierre Fabre and others.

Phage display antibody libraries

AbCheck owns three phage display antibody libraries: a natural library, a synthetic library and a semisynthetic library, the latter designed to achieve reliable folding and high expression. These proprietary and validated libraries comprise a total of about 10^{10} sequentially and structurally diverse antibodies and ensure the fast and reliable discovery of highly specific and highly affine human antibodies for virtually every possible target protein. AbCheck has conducted more than 30 successful antibody discovery projects, including antibodies against complex cell surface receptors.

Yeast display

AbCheck uses yeast display to screen for enhanced expression levels and stability of antibodies and thereby select candidates that can be manufactured with high yield and are stable. The yeast system guarantees expression of the product candidate in customary cell culture systems. Furthermore, yeast display in

combination with fluorescence activated cell sorting allows real-time monitoring and full control over the selection process. Screening in the final drug format, including full-length IgGs and novel antibody formats, ensures a fast and efficient lead discovery process.

Affinity maturation algorithm

AbCheck has a proprietary algorithm, AbAccel, for incorporating the results of high-throughput antibody sequencing, structural analysis and therapeutic biochemistry to optimize antibodies with regard to affinity, immunogenicity, stability and expression levels.

Collaborations

We have entered into strategic collaborations for some of our therapeutic programs. As part of our business development strategy, we aim to increase the number of our research collaborations in order to derive further value from our platforms and more fully exploit their potential. Key terms of our current material collaborations are summarized below.

Amphivena

Overview

In 2013, we amended and restated a 2012 license agreement with Amphivena, pursuant to which we have licensed certain technology to Amphivena that enables Amphivena to develop an undisclosed product candidate for hematologic malignancies. In exchange for the technology license to Amphivena, we received shares of stock of Amphivena, and, in connection with an equity financing involving us and other third-party investors, we made cash investments in Amphivena in exchange for additional shares of stock and entered into certain related agreements governing our rights as a shareholder of Amphivena. As of June 30, 2014, those cash investments totaled $540,000 (€403,462), and we owned approximately 28% of the outstanding equity of Amphivena on a fully diluted basis. In the event that Amphivena achieves certain milestones, the investors are obligated to make additional cash investments in Amphivena. Our portion of such additional cash investments is $360,000.

Amphivena has separately entered into a warrant agreement with Janssen Biotech Inc. that gives Janssen the option to acquire Amphivena following IND acceptance by the FDA of such product candidate, upon predetermined terms, in exchange for payments under the warrant. Janssen is obligated to make payments to Amphivena under the warrant upon Amphivena's achievement of specified milestones under the license and development agreement described below. Amphivena must use commercially reasonable efforts to research and develop the product candidate and carry out the corresponding development program. Affimed has successfully reached its first milestone and received an initial payment from Amphivena. In the event Amphivena fails to conduct any material development activity for a specified period or other important events defined in the warrant agreement that would prevent Amphivena from continuing the development program, among other rights, Janssen has the option to purchase Amphivena and/or to exercise an exclusive license under certain intellectual property controlled by Amphivena. In this situation, Janssen must still make certain reduced milestone payments ranging from low single digits to the low teen millions. Such payments will be made to Amphivena if Janssen elects to purchase Amphivena, or to us if Janssen exercises the right to license that certain intellectual property, as discussed above. The warrant agreement may be terminated at any time by mutual consent of Amphivena and Janssen and automatically terminates upon Janssen's failure to exercise the warrant once the exercise option is triggered, or to make payments required under the agreement. Janssen also may unilaterally terminate the warrant agreement upon specified events causing safety concerns, if the equity investors do not meet their funding obligations to Amphivena, or at any time provided that all milestone payments have been paid (regardless of whether such payments have become due).

We will receive payments (i) for research and development services to be provided by us under a license and development agreement entered into with Amphivena (as discussed below) and (ii) as a shareholder of Amphivena in the low-to-mid teen millions, if Amphivena is acquired by Janssen pursuant to the terms of the warrant.

License and development agreement

Overview. Pursuant to the July 2013 license and development agreement between Amphivena and us, we will perform certain services for Amphivena related to the development of a product candidate for hematological malignancies.

Licenses. Pursuant to the license and development agreement, we have granted Amphivena certain product and technology licenses, each of which includes the right to grant sublicenses to its affiliates or third parties through multiple tiers, subject to certain notice requirements, including the following:

- an exclusive, worldwide, royalty-free license under the TandAb technology to research, develop, make, have made, use and commercialize any TandAb developed under the agreement;
- a non-exclusive, worldwide, royalty-free license under other antibody-specific intellectual property we control to research, develop, make, have made, use and commercialize any TandAb developed under the agreement; and
- an exclusive, worldwide, royalty-free license under certain antibody-specific intellectual property we control to research, develop, make, have made, use and import certain antibodies and portions thereof or products derived therefrom developed under the agreement.

In addition, we have assigned our right and interest to certain intellectual property specifically related to certain antibodies covered under the agreement to Amphivena, and Amphivena solely owns all right, title and interest in certain intellectual property that specifically relates to such antibodies.

We and Amphivena have granted exclusive, worldwide, royalty-free cross-licenses to each other's know-how that is disclosed while the Janssen warrant agreement is in effect and otherwise not covered by patent rights, for use in connection with the development plan and on certain occasions in which the development plan continues to be carried out surviving termination of the license and development agreement.

Service fees. In consideration for the research and development work to be performed prior to IND acceptance by the FDA, Amphivena will pay to us service fees totaling approximately €16.9 million payable according to the achievement of milestones and phase progressions as described under the license and development agreement. Through June 30, 2014, €6.6 million has been paid to us under the license and development agreement. In February 2014, we entered into a letter agreement further delineating the services we will perform for Amphivena.

Exclusivity. During the term of the license and development agreement, we and our affiliates are prohibited from researching, developing, manufacturing, using or commercializing any compound or product for the treatment of a specified indication, subject to certain limited exceptions relating to services performed by AbCheck for its customers. We and our affiliates, including AbCheck, are also subject to additional restrictions on researching, developing, manufacturing, using or commercializing antibodies developed under the agreement.

Term and termination. Unless earlier terminated pursuant to the terms of the agreement, the license and development agreement terminates upon the completion of all services to be performed by us under the license and development agreement or any other determination or declaration by Amphivena (in its discretion) that a specified phase under the license and development agreement has been successfully completed or IND acceptance has been achieved for a lead candidate. The license and development agreement may also be terminated upon specified technical failures, certain failures to continue the development program or by either party for the other party's material breach, subject to a specified cure

period, or if the other party undergoes specified bankruptcy or insolvency-related events. Janssen has rights under the license and development agreement to prevent termination of the agreement in certain situations in accordance with its rights under the warrant agreement.

The Leukemia & Lymphoma Society

Overview. In August 2013, we entered into a research funding agreement with The Leukemia & Lymphoma Society, or LLS, for the clinical development of AFM13. Pursuant to the research funding agreement, LLS has agreed to co-fund the clinical phase 2a development of AFM13 and to contribute up to approximately $4.4 million over two years to support the project. We have agreed to match LLS's contributions toward the project budget. Our receipt of the $4.4 million total that LLS has agreed to contribute is conditioned on the achievement of certain milestones in connection with the development of AFM13, two of which have been met. As a result, we have already received $1.5 million in funds from LLS. We must use the funding provided by LLS exclusively with the development program, and return any excess funding to LLS. We are solely responsible for and have control over all development work and are obligated to use commercially reasonable efforts, as defined in the research funding agreement, in our conduct of the development program to achieve the specified milestones. We also have retained exclusive commercialization and distribution rights to AFM13. The research funding agreement was amended in April 2014 to amend the projected milestone event dates and modify certain aspects of the agreement regarding the phase 2a study design.

Intellectual property and licenses. Each party owns inventions made and data and know-how generated exclusively by such party or its affiliates prior to and during the term of the research funding agreement relating to the AFM13 development program. If any of such data, inventions and know-how is jointly made, it is jointly owned. LLS grants us an exclusive, worldwide, fully paid-up license to its rights in any such joint inventions and any invention made by any LLS employee resulting from the AFM13 development program for purposes specified in the research funding agreement. We have granted LLS an exclusive license to AFM13 that is only effective if we have ceased, or ceased commercially reasonable efforts with respect to, research, development and commercialization of all AFM13 products for a specified period, which period may be extended. As an alternative to this license, we may elect to pay LLS a payment equal to the amount that LLS actually funded to us plus interest. LLS has agreed to make reasonable adjustments and accommodations to this license in the event it impedes our ability to seek a partner to commercialize AFM13.

Royalties. In consideration of LLS's payments to us, we have agreed to pay LLS a mid-single digit royalty on net sales of products containing AFM13 until we have paid LLS a low single digit multiple of the funding they provided to us. After we have reached this initial royalty cap, we will pay LLS a sub-single digit royalty on net sales until the earlier of (i) the expiration of the last to expire patent covering the AFM13 products and (ii) ten years after the initial royalty cap is satisfied. These royalty payments are calculated on a country-by-country and product-by-product basis. We have also agreed to make certain low-to-mid-single digit royalty payments to LLS in the event of certain transfers of rights to any product containing AFM13 or in the event we undergo certain change of control transactions, in each case up to the royalty cap described above. We do not expect this offering to constitute a change of control under the research funding agreement.

Term and termination. Unless earlier terminated pursuant to the terms of the agreement, the research funding agreement terminates when there are no longer any payment obligations owing from one party to another. The research funding agreement may be terminated by either party for the other party's material breach, material violation of applicable law, or if a representation or warranty made by the other party in the research funding agreement is not true in any material respect, subject to a specified cure period. If LLS terminates for our default, our royalty obligations and the interruption license will survive such termination. Either party may terminate if the other party undergoes specified bankruptcy or insolvency-related events.

License Agreements

DKFZ

Overview. In June 2006, we amended a 2001 license agreement with Deutsches Krebsforschungszentrum, Heidelberg, or DKFZ. Under the agreement, as amended, we obtained a worldwide, royalty-bearing license under specified DKFZ patent rights to make, have made, use, sell and have sold licensed products and to practice licensed commercial services, which specifically excludes services that are paid for with government grant funding. We have developed our TandAb technology under the licensed patent rights. In connection with the agreement, as amended, we issued DKFZ 350 shares of our Series C preferred shares, which were subsequently converted into Series D preferred shares in the equivalent amount of €50,000 and made a €35,000 cash payment to DKFZ. We are also required to pay DKFZ a low single digit royalty on net sales, as defined in the agreement, of licensed products and services and a mid-single digit percentage of income we receive in connection with granting a third party a sublicense of our rights under the license agreement. If we grant a sublicense in connection with entering into a cross-licensing arrangement with one or more third parties, we are obligated to make a lump-sum payment of DM 70,000 (€35,790) to DKFZ following the execution of each such sublicense. We are obligated to make the above royalty payments to DKFZ during the term of the licensed patents and for the two years following the expiration of the licensed patents.

Patent rights. DKFZ retains the right to use the licensed patent rights for scientific purposes. We are obligated to inform DKFZ of improvements relating to or similar to the licensed patent rights, licensed products or licensed services and DKFZ has the right to use these improvements for scientific purposes. DKFZ retains responsibility for the prosecution and maintenance of the licensed patent rights, but we are obligated to reimburse DKFZ for costs and expenses incurred in connection with the prosecution, maintenance and defense of the licensed patent rights.

Exclusivity. DKFZ originally granted us an exclusive license to the licensed patent rights for an already-expired initial period. The validity of the exclusive license automatically renews for subsequent one year terms unless either party provides written notice of a modification at least three months prior to the expiration of the then-current one-year term. No such modification has been issued by either party to date, and the license is in force on an exclusive basis with respect to the licensed patent rights that relate to our TandAb antibody platform including our key product candidates.

Term and termination. The license agreement will terminate with the expiration of the last to expire licensed patent unless terminated earlier. Either party may terminate the license agreement for the other party's material breach, subject to a cure period. DKFZ may terminate the license agreement if we fail to meet certain diligence milestones with respect to commercialization, subject to certain exceptions. DKFZ may terminate by providing a specified period of prior written notice if we undergo certain insolvency or bankruptcy-related events.

XOMA

Overview and research license granted to us. In September 2006, we entered into a license agreement with Xoma Ireland Limited, or XOMA. Pursuant to the agreement, XOMA granted us a worldwide, fully paid-up, royalty-free, non-exclusive and non-transferable license to conduct research on immunoglobulins under certain patent rights and know-how owned or otherwise controlled by XOMA. We refer to this research-only license grant as the "research license." The research license grants us the right to identify, select, isolate, purify, characterize, study and/or test immunoglobulins using XOMA's antibody phage display technologies.

Options to license granted to us. XOMA also granted us options, exercisable on an immunoglobulin-by-immunoglobulin basis, to obtain certain additional manufacturing or commercialization rights, including an option to obtain a worldwide, non-exclusive, non-transferable license under the licensed XOMA patent rights and know-how to make or have made (in a prokaryote and without use of a dicistronic construct), use, sell, offer to sell, import and otherwise commercialize immunoglobulins discovered, isolated or optimized under

the research license for the diagnosis, treatment, prevention or prophylaxis of any human condition or disease. Unless XOMA grants us such a license, we are prohibited from commercializing, licensing or developing any immunoglobulin discovered, isolated or optimized under the research license. XOMA is not required to grant us a license upon our exercise of the option, unless the other provisions of the license agreement are complied with, including the requirement that we provide XOMA a specified form of prior written notice detailing the immunoglobulin with respect to which we wish to obtain a license. In addition, XOMA is not required to grant us such a license if the relevant immunoglobulin is already the subject of an exclusive license granted by XOMA to a third party or if XOMA can provide evidence of a bona fide development program for any immunoglobulin that binds to the same target as the immunoglobulin that is the subject of our request for a license pursuant to the option. For each immunoglobulin for which we obtain such a commercialization license pursuant to our exercise of the option, we are obligated to make milestone payments upon the occurrence of certain clinical and regulatory events. For each immunoglobulin, if all milestone events under the commercialization license are achieved, the aggregate milestone payments could total $350,000. In addition, we are obligated to pay XOMA a low single digit percentage royalty on net sales on a country-by-country and immunoglobulin-by-immunoglobulin basis, until the later of the expiration of the last-to-expire valid patent claim in the relevant country or the tenth anniversary of the first commercial sale of the corresponding product.

Our obligations. We are required to use commercially reasonable efforts until phase 3 clinical trials to exploit the licensed patent rights in order to maximize the potential payments to XOMA under the license agreement. Both the research license and the license to commercialize specific immunoglobulins, if granted, would also extend to certain of our third-party collaboration partners, subject to the satisfaction of specified requirements.

License granted to XOMA. Pursuant to the agreement, we granted XOMA, its third-party development partners and its qualifying third-party licensees and licensors, a fully paid-up, non-exclusive, royalty-free, worldwide license (or sublicense, as the case may be) under certain of our patent rights relating to antibody phage display and certain patents that we in-license pursuant to specified license agreements to engage in research and to discover, isolate, optimize, develop, offer to use, use, offer for sale, sell, make, have made, export and import immunoglobulins or any product containing or comprising an immunoglobulin. XOMA may grant sublicenses to the extent reasonably necessary for XOMA, its development partners, and its licensees to license, develop, commercialize or otherwise enjoy the benefit of an immunoglobulin or other composition of matter or article of manufacture discovered, isolated, characterized or optimized by XOMA.

Term. The licenses we receive from XOMA under the agreement will remain in effect until the later of (i) ten years from the first commercial sale of the last immunoglobulin to be launched pursuant to a commercialization license granted by XOMA following our option exercise, or (ii) the expiration of the last to expire of the licensed XOMA patent rights. The licenses we grant to XOMA and any XOMA development partners or licensees remain in effect until the last of the licensed patent rights expire.

Termination. Either party may terminate the licenses granted to the other party pursuant to the agreement for the other party's uncured material breach or insolvency. XOMA may elect to terminate our license rights if we undergo a qualifying change in control or sell substantially all assets related to antibody discovery, subject to certain limited exceptions. We do not expect this offering to constitute a change in control under the agreement. Termination of the agreement does not alter the rights or licenses granted to XOMA, its third-party development partners, any XOMA licensee or any applicable third-party licensees and licensors with respect to immunoglobulins, compositions of matter and other articles of manufacturing existing as of the effective date of termination, which would continue to be licensed pursuant to the terms of the agreement until the expiration of the last to expire of the applicable patent rights. In addition, our obligation to make the milestone and royalty payments, if applicable, will survive termination of the agreement.

Intellectual Property

Overview

We strive to protect the proprietary technologies that we believe are important to our business, including seeking and maintaining patent protection intended to protect, for example, the composition of matter of our product candidates, their methods of use, the technology platforms used to generate them, related technologies and/or other aspects of the inventions that are important to our business. We also rely on trade secrets and careful monitoring of our proprietary information to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection.

We plan to continue to expand our intellectual property estate by filing patent applications directed to dosage forms, methods of treatment and additional compositions created or identified from our technology platforms and ongoing development of our product candidates. Specifically, we seek patent protection in the United States and internationally for novel compositions of matter directed to aspects of the molecules, basic structures and processes for manufacturing these molecules and the use of these molecules in a variety of therapies.

Our success will depend significantly on our ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions and know-how related to our business, defend and enforce our patents, maintain our licenses to use intellectual property owned by third parties, preserve the confidentiality of our trade secrets and operate without infringing the valid and enforceable patents and other proprietary rights of third parties. We also rely on know-how, continuing technological innovation and in-licensing opportunities to develop, strengthen, and maintain our proprietary positions. To date, we have not identified any potential infringement of our patents by third parties.

A third party may hold intellectual property, including patent rights that are important or necessary to the development of our product candidates or use of our technology platforms. It may be necessary for us to use the patented or proprietary technology of third parties to commercialize our product candidates, in which case we would be required to obtain a license from these third parties on commercially reasonable terms, or our business could be harmed, possibly materially.

Our Platforms and Programs

The patent portfolios for our most advanced programs are summarized below.

AFM13

We own and/or control our AFM13 (CD30 NK-cell TandAb) patent portfolio, which includes three patent families. Our first patent family is issued and relates to the engineered antibody format, which is called TandAb, and the methods of making or using such bispecific, tetravalent domain antibodies. This patent family will expire in 2019. The patents are granted in several major markets, including Australia, Canada, Europe (Austria, Belgium, Denmark, France, Germany, Great Britain, Italy, the Netherlands, Spain, Sweden and Switzerland/Liechtenstein), Japan and the United States. The second patent family on AFM13 is granted for the use of the specific target combination for the treatment of cancer using a bispecific molecule. This patent family is granted in Europe (Austria, Belgium, France, Germany, Great Britain, Ireland, Italy, the Netherlands, Spain and Switzerland/Liechtenstein) and will expire in 2020. Our third patent family relates to the mode of action of AFM13, the recruitment of immune effector cells via a specific receptor. If issued, these patents will expire in 2026. We filed a related PCT application which entered the national phases in Australia, Brazil, Canada, China, Europe, Japan, Russia and the United States. Any patents resulting from these patent applications, if issued, also will expire in 2026. Patents have been granted in Australia, India and Russia and claims have been allowed in Europe.

AFM11

We own and/or control our AFM11 patent portfolio. This portfolio includes one patent family granted in Australia, Canada, Europe, Japan and the United States and one patent family pending in Australia, Brazil, Canada, China, Europe, Japan, Mexico, Russia and the United States. As in the case of AFM13, our issued patents relate to the engineered antibody format, which is called TandAb, and on which the AFM11 compound is based upon. These patents will expire in 2019. The pending patent application family claims a new TandAb structure which was specifically used in AFM11 to increase its potency. If issued, such patents will expire in 2030.

EGFRvIII T-cell TandAb (AFM21)

We own and/or control the patents which cover our EGFRvIII/CD3 compound. This includes one granted patent family which is, comparable to AFM11 and AFM13, the patents on the TandAb format issued in Australia, Austria, Belgium, Canada, Denmark, France, Germany, Great Britain, Italy, Japan, the Netherlands, Spain, Sweden, Switzerland/Liechtenstein and the United States.

TandAb platform

We fully control our TandAb platform patent portfolio. The patent family covers multivalent antibody constructs comprised of four variable domains which are fused by linkers in different length. The claims with regard to use of such TandAb antibodies cover general diagnostic and therapeutic use, in particular for viral, bacterial or tumoral diseases. These patents will expire in 2019 and are granted in Australia, Canada, Europe, Japan and the United States. Another pending patent application covers TandAbs that have a different TandAb structure which shows increased potency. The application is currently pending in Australia, Brazil, Canada, China, Europe, Japan, Mexico, Russia and the United States and if issued the patent will expire in 2030. Closely related to the TandAb platform is the Flexibody format. This antibody format is covered by a patent family, fully owned by us, which is granted in Europe and Japan. A U.S. application is still pending; these patents and applications (if issued), respectively, will have a term until 2022.

Trispecific abs

Our latest platform development efforts resulted in the successful generation of trispecific antibody formats, for which we submitted a European patent application in 2014.

In-Licensed Intellectual Property

We have entered into exclusive as well as non-exclusive patent and know-how license agreements which grant us the right to develop, use and commercialize our TandAb antibody platform and product candidates derived thereof. The licenses include obligations to pay development milestones and sales royalties on products we develop and commercialize that were generated using the patented technologies. Please see “—License Agreements.”

FDA Regulatory Review Process

The Hatch-Waxman Act permits a patent term extension for FDA-approved drugs of up to five years beyond the expiration of the patent. The length of the patent term extension is related to the length of time the drug is under regulatory review. Patent extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval and only one patent applicable to an approved drug may be extended. Similar provisions are available in other jurisdictions to extend the term of a patent that covers an approved drug, or to offer similar protection for an extended period, as is the case in the European Union. In the future, if and when our pharmaceutical product candidates receive FDA approval, we expect to apply for patent term extensions on patents covering those products. We intend to seek patent term extensions to any of our issued patents in any jurisdiction where these are available, however there is no guarantee that the applicable authorities, including the FDA in the United States, will agree with our assessment of whether such extensions should be granted, and even if granted, the length of such extensions.

Trade Secrets

We also rely on trade secret protection for our confidential and proprietary information. Included in our trade secrets are various aspects of our manufacturing process that we conduct in cooperation with contract manufacturers.

Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees, contractors and consultants, third parties may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or disclose our technology. Thus, we may not be able to meaningfully protect our trade secrets. It is our policy to require our employees, contractors, consultants, outside scientific collaborators, sponsored researchers and other advisors to execute confidentiality agreements upon the commencement of employment or consulting relationships with us. These agreements provide that all confidential information concerning our business or financial affairs developed or made known to the individual during the course of the individual's relationship with us is to be kept confidential and not disclosed to third parties except in specific circumstances. German law provides that all inventions conceived by the individual, and which are related to our current or planned business or research and development or made during normal working hours, on our premises or using our equipment or proprietary information, are our exclusive property. In many cases our confidentiality and other agreements with consultants, outside scientific collaborators, sponsored researchers and other advisors require them to assign or grant us licenses to inventions they invent as a result of the work or services they render under such agreements or grant us an option to negotiate a license to use such inventions.

Manufacturing

We express our TandAb product candidates in mammalian cells (CHO cells) and develop our production processes on a laboratory scale. The research grade material made in our laboratories is suitable for conducting compound profiling activities. In the course of preclinical development we transfer the process to commercial manufacturers. The technology transfer generally includes, among others, the development of a production cell line, the establishment of master and working cell banks, the development and qualification of upstream and downstream processes, the development of the drug product process, the development of suitable analytical methods for test and release as well as stability testing. From our contract manufacturers we receive process development-derived material for preclinical testing and material meeting current Good Manufacturing Practice, or cGMP, standards for clinical supplies. Before and during the cooperation with a contract manufacturer we conduct audits to control compliance with the mutually agreed process descriptions and to cGMP regulations. Our manufacturers themselves are controlled by their in-house quality assurance functions and inspected by regulatory agencies, including European national agencies and the FDA. During the development of our drug candidates, we or our contract manufacturers scale the manufacturing process to suitable size. Such scaling up takes typically several steps and may involve modification of the process, in which case a renewed qualification of the manufacturing process with the relevant authorities is required.

We rely on and will continue to rely on our contract manufacturers for both drug substance and drug product. We have long-term contracts with our manufacturers and seek to establish a good relationship in order to expeditiously solve problems should they arise. Our contract manufacturers have large capacities and, as they also serve other clients, have certain flexibility to adjust to demand. Likewise, our manufacturers purchase and stock fermentation materials or chromatography resins usually from multiple sources and at large scale and should therefore be less vulnerable to potential shortages. Generally, we need to commit to certain manufacturing slots and capacities in advance.

We plan to engage our contract manufacturers to develop a larger scale process for AFM13 while we test the product clinically in phase 2a, in order to have material available from such a commercial scale process before we proceed with a potential pivotal phase 2b study. For AFM11 we may need a larger scale process as well, depending on the dose and regimen that will be determined in our phase 1 study.

There are synergies from our technology platforms in regard to manufacturing since TandAbs as well as Trispecific Abs share the basic four-domain structure and therefore their manufacturing processes are similar.

Commercialization

We have not yet established a sales, marketing or product distribution infrastructure because our lead product candidate is still at an early stage in clinical development.

Prior to receiving marketing approvals, we plan to build a focused sales and marketing organization in the United States to sell our products if and when marketing approval is granted. We believe that such an organization will be able to address the community of oncologists who are the key specialists in treating the patient populations for which our product candidates are being developed. Outside the United States, we expect to enter into license, distribution or other marketing arrangements with third parties to commercialize any of our product candidates that obtain marketing approval.

We also plan to build a marketing and sales management organization to create and implement marketing strategies for any products that we market through our own sales organization and to oversee and support our sales force. The responsibilities of the marketing organization would include developing educational initiatives with respect to approved products and establishing relationships with thought leaders in relevant fields of medicine.

Competition

The biopharmaceutical industry is characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products. While we believe that our technology, knowledge, experience and scientific resources provide us with competitive advantages, we face potential competition from many different sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic institutions and governmental agencies and public and private research institutions. Any product candidates that we successfully develop and commercialize will compete with existing therapies and new therapies that may become available in the future.

There is a large number of companies developing or marketing treatments for cancer disorders, including many major pharmaceutical and biotechnology companies. These treatments consist both of small molecule drug products, as well as biologic therapeutics that work, among others, by using next-generation antibody technology platforms to address specific cancer targets. These treatments are often combined with one another in an attempt to maximize the response rate. In addition, several companies are developing therapeutics that work by targeting multiple specificities using a single recombinant molecule, as we are.

In the HL salvage setting, Adcetris is an antibody-drug conjugate approved by the FDA in 2011 that targets CD30, the same target as AFM13. If and when AFM13 were to be approved for patients refractory to Adcetris, we would not compete directly with Adcetris. However, as we develop AFM13 for earlier-line therapies, for example in combination with other therapies as a second- or even first-line treatment, we would compete with Adcetris, which is in development for such indications. Further, we would be in competition with any therapies or combination regimens that currently comprise the standard of care for the treatment of HL that AFM13 could potentially displace. Other agents that have reached phase 2 clinical trials in HL include 4SC201 (4SC AG), Afinitor (Novartis AG), idealisib (Gilead Sciences), ferritarg (MABLife), iratumumab (Bristol-Myers Squibb) and PLX 3397 (Daiichi Sankyo). As of this date, definitive proof of the efficacy and safety of any of these agents in relapsed/refractory HL has yet to be obtained, leaving a substantial unmet need in this area for AFM13 to fill. Recently, Bristol-Myers Squibb announced that nivolumab, an anti-PD-1 antibody (checkpoint inhibitor), has been granted breakthrough designation by the FDA for relapsed/refractory HL. The breakthrough designation seems to be based on a phase 1b study in hematological malignancies. The study is still ongoing and data has not yet been published.

With respect to competitors for AFM11, rituximab has been approved to treat certain types of NHL in both the United States and Europe and is generally combined with a chemotherapy regimen (typically CHOP or

bendamustine). Imbruvica, a small molecule drug targeting malignant B-cells, was recently approved by the FDA to treat the mantle cell variant of NHL (MCL). Amgen is now in late-stage clinical development of cancer product candidates which work by targeting receptors both on immune cells and cancer cells, like our TandAbs. Amgen's blinatumomab, a candidate developed with BiTE (bispecific T-cell engager) technology, is an antibody construct similar to AFM11. Amgen is currently recruiting patients for a phase 3 trial with blinatumomab. Juno Therapeutic and Kite Pharma are developing a therapy using T-cells reengineered with chimeric antigen receptors (CARs) against CD19-positive B-cells. This therapeutic approach, which engages a patient's own T-cells after ex-vivo genetic modification, is currently being investigated in phase 1 trials. Although only early stage data are available, CAR treatments seem to result in high response rates.

We expect that our TandAb and trispecific antibody platforms will serve as the basis for future product candidates and collaborations with pharmaceutical companies. Other companies also have developed platform technologies that compete with us. For example, Macrogenics is developing its DART platform, which enables the targeting of multiple receptors or cells by using a single molecule with an antibody-like structure, and one product candidate based on this platform is expected to enter phase 1 clinical trials in the second quarter of 2014. Ablynx is also developing such a platform aimed at multi-receptor targeting, which to date has not reached clinical testing.

Many of our competitors have significantly greater financial, manufacturing, marketing, drug development, technical and human resources than we do. Mergers and acquisitions in the pharmaceutical, biotechnology and diagnostic industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller or early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining top qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

The key competitive factors affecting the success of all of our therapeutic product candidates, if approved, are likely to be their efficacy, safety, dosing convenience, price, the effectiveness of companion diagnostics in guiding the use of related therapeutics, our marketing capabilities, the level of generic competition and the availability of reimbursement from government and other third-party payors.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any products that we may develop. Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. In addition, our ability to compete may be affected in many cases by insurers or other third-party payors seeking to encourage the use of biosimilar products. Biosimilar products are expected to become available over the coming years. The regulatory requirements in the United States remain to be resolved, although Europe has already created the regulatory framework to approve biosimilar products.

The most common methods of treating patients with cancer are surgery, radiation and drug therapy. There are a variety of available drug therapies marketed for cancer. In many cases, these drugs are administered in combination to enhance efficacy. While our product candidates may compete with many existing drug and other therapies, to the extent they are ultimately used in combination with or as an adjunct to these therapies, our product candidates will not be competitive with them as such. Some of the currently approved drug therapies are branded and subject to patent protection, and others are available on a generic basis. Many of these approved drugs are well established therapies and are widely accepted by physicians, patients and third-party payors.

In addition to currently marketed therapies, there are also a number of products in late stage clinical development to treat cancer. These product candidates in development may provide efficacy, safety, dosing

convenience and other benefits that are not provided by currently marketed therapies or our drugs. As a result, they may provide significant competition for any of our product candidates for which we obtain marketing approval.

If our lead product candidates are approved for the indications for which we are currently undertaking clinical trials, they will compete with the therapies and currently marketed drugs discussed elsewhere in this document.

Government Regulation and Product Approval

Government authorities in all major pharmaceutical markets extensively regulate, among other things, the research, development, testing, manufacture, packaging, storage, recordkeeping, labeling, advertising, promotion, distribution, marketing and import and export of pharmaceutical products such as those we are developing. Although our initial focus will be on the United States and Europe, we will develop and seek marketing approval for our products also in other countries and territories, such as Canada or Japan, and for markets that follow the leading authorities, such as Brazil or South Korea. The processes for obtaining regulatory approvals in the United States, Europe and in other countries, along with subsequent compliance with applicable statutes and regulations, require the expenditure of substantial time and financial resources.

International Conference on Harmonization (ICH)

The International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use, or the ICH, is a project that brings together the regulatory authorities of Europe, Japan and the United States and experts from the pharmaceutical industry in the three regions to discuss scientific and technical aspects of pharmaceutical product registration. The purpose of ICH is to reduce or obviate the need to duplicate the testing carried out during the research and development of new medicines by recommending ways to achieve greater harmonization in the interpretation and application of technical guidelines and requirements for product registration. Harmonization would lead to a more economical use of human, animal and material resources, the elimination of unnecessary delay in the global development and availability of new medicines while maintaining safeguards on quality, safety, and efficacy, and regulatory obligations to protect public health.

ICH guidelines have been adopted as law in several countries, but are only used as guidance for the FDA. Nevertheless, in many areas of drug regulation ICH has resulted in comparable requirements, for instance with respect to the Common Technical Document, or the CTD, which has become the core document for filings for market authorization in several jurisdictions. Thus, ICH has facilitated a more efficient path to markets.

FDA Approval Process

All of our current product candidates are subject to regulation in the United States by the FDA as biological products, or biologics. The FDA subjects biologics to extensive pre- and post-market regulation. The Public Health Service Act (PHSA), the Federal Food, Drug, and Cosmetic Act and other federal and state statutes and regulations govern, among other things, the research, development, testing, manufacture, storage, recordkeeping, approval, labeling, promotion and marketing, distribution, post-approval monitoring and reporting, sampling, and import and export of biologics. Failure to comply with applicable U.S. requirements may subject a company to a variety of administrative or judicial sanctions, such as FDA refusal to approve pending BLAs, withdrawal of approvals, clinical holds, warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines or civil or criminal penalties.

The PHSA emphasizes the importance of manufacturing control for products whose attributes cannot be precisely defined. The PHSA also provides authority to the FDA to immediately suspend licenses in situations where there exists a danger to public health, to prepare or procure products in the event of shortages and critical public health needs, and to authorize the creation and enforcement of regulations to prevent the introduction or spread of communicable diseases in the United States and between states.

The process required by the FDA before a new biologic may be marketed in the United States is long, expensive, and inherently uncertain. Biologics development in the United States typically involves preclinical laboratory and animal tests, the submission to the FDA of an IND (which must become effective before clinical testing may commence) and adequate and well-controlled clinical trials to establish the safety and effectiveness of the biologic for each indication for which FDA approval is sought. Developing the data to satisfy FDA pre-market approval requirements typically takes many years and the actual time required may vary substantially based upon the type, complexity, and novelty of the product or disease.

Preclinical tests include laboratory evaluation of product chemistry, formulation, and toxicity, as well as animal trials to assess the characteristics and potential safety and efficacy of the product. The conduct of the preclinical tests must comply with federal regulations and requirements, including good laboratory practices. The results of preclinical testing are submitted to the FDA as part of an IND along with other information, including information about product chemistry, manufacturing and controls, and a proposed clinical trial protocol. Long term preclinical tests, such as animal tests of reproductive toxicity and carcinogenicity, may continue after the IND is submitted.

An IND must become effective before United States clinical trials may begin. A 30-day waiting period after the submission of each IND is required prior to the commencement of clinical testing in humans. If the FDA has neither commented on nor questioned the IND within this 30-day period, the clinical trial proposed in the IND may begin.

Clinical trials involve the administration of the investigational new drug or biologic to healthy volunteers or patients with the condition under investigation, all under the supervision of a qualified investigator. Clinical trials must be conducted: (i) in compliance with federal regulations; (ii) in compliance with good clinical practice, or GCP, an international standard meant to protect the rights and health of patients and to define the roles of clinical trial sponsors, administrators, and monitors; as well as (iii) under protocols detailing the objectives of the trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. Each protocol involving testing on U.S. patients and subsequent protocol amendments must be submitted to the FDA as part of the IND.

The FDA may order the temporary, or permanent, discontinuation of a clinical trial at any time, or impose other sanctions, if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial patients. The study protocol and informed consent information for patients in clinical trials must also be submitted to an institutional review board (IRB) for approval. An IRB may also require the clinical trial at the site to be halted, either temporarily or permanently, for failure to comply with the IRB's requirements, or may impose other conditions. The study sponsor may also suspend a clinical trial at any time on various grounds, including a determination that the subjects or patients are being exposed to an unacceptable health risk.

Clinical trials to support BLAs for marketing approval are typically conducted in three sequential phases, but the phases may overlap or be combined. In phase 1, the biologic is initially introduced into healthy human subjects or patients and is tested to assess PK, pharmacological actions, side effects associated with increasing doses, and, if possible, early evidence on effectiveness. In the case of some products for severe or life-threatening diseases, such as cancer treatments, initial human testing may be conducted in the intended patient population. Phase 2 usually involves trials in a limited patient population to determine the effectiveness of the biologic for a particular indication, dosage tolerance, and optimum dosage, and to identify common adverse effects and safety risks. If a compound demonstrates evidence of effectiveness and an acceptable safety profile in phase 2 evaluations, phase 3 trials are undertaken to obtain additional information about clinical efficacy and safety in a larger number of patients, typically at geographically dispersed clinical trial sites. These phase 3 clinical trials are intended to establish data sufficient to demonstrate substantial evidence of the efficacy and safety of the product to permit the FDA to evaluate the

overall benefit-risk relationship of the biologic and to provide adequate information for the labeling of the biologic. Trials conducted outside of the US under similar, GCP-compliant conditions in accordance with local applicable laws may also be acceptable to the FDA in support of product licensing.

Sponsors of clinical trials for investigational drugs must publicly disclose certain clinical trial information, including detailed trial design and trial results in FDA public databases. These requirements are subject to specific timelines and apply to most controlled clinical trials of FDA-regulated products.

After completion of the required clinical testing, a BLA is prepared and submitted to the FDA. FDA review and approval of the BLA is required before marketing of the product may begin in the United States. The BLA must include the results of all preclinical, clinical, and other testing and a compilation of data relating to the product's pharmacology, chemistry, manufacture and controls and must demonstrate the safety and efficacy of the product based on these results. The BLA must also contain extensive manufacturing information. The cost of preparing and submitting a BLA is substantial. Under federal law, the submission of most BLAs is additionally subject to a substantial application user fee, as well as annual product and establishment user fees, which may total several million dollars and are typically increased annually.

The FDA has 60 days from its receipt of a BLA to determine whether the application will be accepted for filing based on the agency's threshold determination that it is sufficiently complete to permit substantive review. Once the submission is accepted for filing, the FDA begins an in-depth review. The FDA has agreed to certain performance goals in the review of BLAs. Most such applications for standard review biologics are reviewed within ten months from the date the application is accepted for filing. Although the FDA often meets its user fee performance goals, it can extend these timelines if necessary, and its review may not occur on a timely basis at all. The FDA usually refers applications for novel biologics, or biologics which present difficult questions of safety or efficacy, to an advisory committee—typically a panel that includes clinicians and other experts—for review, evaluation, and a recommendation as to whether the application should be approved. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendations. Before approving a BLA, the FDA will typically inspect one or more clinical sites to assure compliance with GCP. Additionally, the FDA will inspect the facility or the facilities at which the biologic is manufactured. The FDA will not approve the product unless it verifies that compliance with cGMP standards is satisfactory and the BLA contains data that provide substantial evidence that the biologic is safe and effective in the indication studied.

After the FDA evaluates the BLA and the manufacturing facilities, it issues either an approval letter or a complete response letter. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing, or information, in order for the FDA to reconsider the application. If, or when, those deficiencies have been addressed to the FDA's satisfaction in a resubmission of the BLA, the FDA will issue an approval letter. The FDA has committed to reviewing such resubmissions in two or six months depending on the type of information included. The FDA approval is never guaranteed, and the FDA may refuse to approve a BLA if applicable regulatory criteria are not satisfied.

Under the PHSA, the FDA may approve a BLA if it determines that the product is safe, pure and potent and the facility where the product will be manufactured meets standards designed to ensure that it continues to be safe, pure, and potent. An approval letter authorizes commercial marketing of the biologic with specific prescribing information for specific indications. The approval for a biologic may be significantly more limited than requested in the application, including limitations on the specific diseases and dosages or the indications for use, which could restrict the commercial value of the product. The FDA may also require that certain contraindications, warnings, or precautions be included in the product labeling. In addition, as a condition of BLA approval, the FDA may require a risk evaluation and mitigation strategy, or REMS, to help ensure that the benefits of the biologic outweigh the potential risks. REMS can include medication guides, communication plans for healthcare professionals, and elements to assure safe use, or ETASU. ETASU can include, but are not limited to, special training or certification for prescribing or dispensing, dispensing only

under certain circumstances, special monitoring, and the use of patient registries. The requirement for a REMS or use of a companion diagnostic with a biologic can materially affect the potential market and profitability of the biologic. Moreover, product approval may require, as a condition of approval, substantial post-approval testing and surveillance to monitor the biologic's safety or efficacy. Once granted, product approvals may be withdrawn if compliance with regulatory standards is not maintained or problems are identified following initial marketing.

After a BLA is approved, the product may also be subject to official lot release. As part of the manufacturing process, the manufacturer is required to perform certain tests on each lot of the product before it is released for distribution. If the product is subject to official lot release by the FDA, the manufacturer submits samples of each lot of product to the FDA together with a release protocol showing a summary of the history of manufacture of the lot and the results of all of the manufacturer's tests performed on the lot. The FDA may also perform certain confirmatory tests on lots of some products, such as viral vaccines, before releasing the lots for distribution by the manufacturer. In addition, the FDA conducts laboratory research related to the regulatory standards on the safety, purity, potency, and effectiveness of biological products. After approval of biologics, manufacturers must address any safety issues that arise, are subject to recalls or a halt in manufacturing, and are subject to periodic inspection.

Fast track

The Fast Track program, a provision of the FDA Modernization Act of 1997, is designed to facilitate interactions between a sponsoring company and the FDA before and during submission of a BLA for an investigational agent that, alone or in combination with one or more other drugs, is intended to treat a serious or life-threatening disease or condition, and which demonstrates the potential to address an unmet medical need for that disease or condition. Under the Fast Track program, the FDA may consider reviewing portions of a marketing application before the sponsor submits the complete application if the FDA determines, after a preliminary evaluation of the clinical data, that a fast track product may be effective. A Fast Track designation provides the opportunity for more frequent interactions with the FDA, and a fast track product could be eligible for priority review if supported by clinical data at the time of submission of the BLA.

Biosimilars

The Patient Protection and Affordable Care Act, which we refer to as the Affordable Care Act, signed into law on March 23, 2010, includes a subtitle called the Biologics Price Competition and Innovation Act of 2009. That Act created an approval pathway authorizing the FDA to approve biosimilars and interchangeable biosimilars. Biosimilars are biological products which are "highly similar" to a previously approved biologic product or "reference product" and for which there are no clinically meaningful differences between the biosimilar product and the reference product in terms of safety, purity, and potency. For FDA to approve a biosimilar product as interchangeable with a reference product, the agency must find that the biosimilar product can be expected to produce the same clinical results as the reference product and, for products administered multiple times, the biosimilar and the reference biologic may be switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic. However, complexities associated with the larger, and often more complex, structures of biological products, as well as the processes by which such products are manufactured, pose significant hurdles to implementation which are still being worked out by the FDA. To date, no biosimilar or interchangeable biologic has been licensed under the BPCIA framework, although such approvals have occurred in Europe, and it is anticipated that the FDA will approve a biosimilar in the relatively near future.

A reference biologic is granted 12 years of exclusivity from the time of first licensure of the reference product. A biosimilar application may be filed four years after the approval of the reference biologic. Although the patents for the reference biologic may be challenged by the biosimilar applicant during that time period pursuant to the BPCIA statutory patent challenge framework, no biosimilar or interchangeable product will be licensed by the FDA until the end of the exclusivity period. The first biologic product submitted under the abbreviated approval

pathway that is determined to be interchangeable with the reference product has exclusivity against other biologics submitted under the abbreviated approval pathway for the lesser of (i) one year after first commercial marketing, (ii) 18 months after the initial application if there is no legal challenge, (iii) 18 months after the resolution in the applicant's favor of a lawsuit challenging the biologics' patents if an application has been submitted, or (iv) 42 months after the application has been approved if a lawsuit is ongoing within the 42-month period. At this juncture, it is unclear whether products deemed "interchangeable" by the FDA will in fact be readily substituted by pharmacies, which are governed by state pharmacy law.

Advertising and promotion

Once a BLA is approved, a product will be subject to continuing post-approval regulatory requirements. For instance, the FDA closely regulates the post-approval marketing and promotion of biologics, including standards and regulations for direct-to-consumer advertising, off-label promotion, industry-sponsored scientific and educational activities and promotional activities involving the internet. Failure to comply with these regulations can result in significant penalties, including the issuance of warning letters directing a company to correct deviations from FDA standards, a requirement that future advertising and promotional materials be pre-cleared by the FDA, and federal and state civil and criminal investigations and prosecutions.

Biologics may be marketed only for the approved indications and in accordance with the provisions of the approved labeling. Changes to some of the conditions established in an approved application, including changes in indications, labeling, or manufacturing processes or facilities, require submission and FDA approval of a new BLA or BLA supplement before the change can be implemented. A BLA supplement for a new indication typically requires clinical data similar to that in the original application, and the FDA uses the same procedures and actions in reviewing BLA supplements as it does in reviewing BLAs.

Adverse event reporting and cGMP compliance

Adverse event reporting and submission of periodic reports are required following FDA approval of a BLA. The FDA also may require post-marketing testing, known as phase 4 testing, REMS, and surveillance to monitor the effects of an approved product, or the FDA may place conditions on an approval that could restrict the distribution or use of the product. In addition, manufacture, packaging, labeling, storage and distribution procedures must continue to conform to current cGMPs after approval. Biologics manufacturers and certain of their subcontractors are required to register their establishments with the FDA and certain state agencies. Registration with the FDA subjects entities to periodic unannounced inspections by the FDA, during which the agency inspects manufacturing facilities to assess compliance with cGMPs. Accordingly, manufacturers must continue to expend time, money, and effort in the areas of production and quality control to maintain compliance with cGMPs. Regulatory authorities may withdraw product approvals, request product recalls, or impose marketing restrictions through labeling changes or product removals if a company fails to comply with regulatory standards, if it encounters problems following initial marketing, or if previously unrecognized problems are subsequently discovered.

Orphan drug

Under the Orphan Drug Act, the FDA may grant orphan drug designation to biologics intended to treat a rare disease or condition—generally a disease or condition that affects fewer than 200,000 individuals in the United States. Orphan drug designation must be requested before submitting a BLA. After the FDA grants orphan drug designation, the generic identity of the biologic and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not necessarily convey any advantage in, or shorten the duration of, the regulatory review and approval process. The first BLA applicant to receive FDA approval for a particular product to treat a particular disease with FDA orphan drug designation is entitled to a seven-year exclusive marketing period in the United States for that product, for that indication. During the seven-year exclusivity period, the FDA may not approve any other applications to market the same drug for the same disease, except in limited circumstances, such as a showing of clinical superiority to the product with orphan

drug exclusivity. Orphan drug exclusivity does not prevent the FDA from approving a different biologic for the same disease or condition, or the same biologic for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the BLA application user fee.

We have received orphan drug designation for AFM13 for the treatment of HL in the United States and Europe.

Other healthcare laws and compliance requirements

In the United States, our activities are potentially subject to regulation by federal, state, and local authorities in addition to the FDA, including the Centers for Medicare and Medicaid Services, other divisions of the U.S. Department of Health and Human Services (for example, the Office of Inspector General), the U.S. Department of Justice and individual U.S. Attorney offices within the Department of Justice, and state and local governments.

EU Approval Process

The European Medicines Agency, or EMA, is a decentralized scientific agency of the European Union. It coordinates the evaluation and monitoring of centrally-authorized medicinal products. It is responsible for the scientific evaluation of applications for EU marketing authorizations, as well as the development of technical guidance and the provision of scientific advice to sponsors. The EMA decentralizes its scientific assessment of medicines by working through a network of about 4,500 experts throughout the European Union, nominated by the member states. The EMA draws on resources of over 40 National Competent Authorities (the NCAs) of EU member states. The Paul Ehrlich Institute, or PEI, is one of the NCAs for Germany, and regulates, among others, antibody products.

The process regarding approval of medicinal products in the European Union follows roughly the same lines as in the United States and likewise generally involves satisfactorily completing each of the following:

- preclinical laboratory tests, animal studies and formulation studies all performed in accordance with the applicable EU Good Laboratory Practice regulations;
- submission to the relevant national authorities of a clinical trial application or CTA for each trial in humans, which must be approved before the trial may begin;
- performance of adequate and well-controlled clinical trials to establish the safety and efficacy of the product for each proposed indication;
- submission to the relevant competent authorities of a Marketing Authorization Application or MAA, which includes the data supporting safety and efficacy as well as detailed information on the manufacture and composition of the product in clinical development and proposed labelling;
- satisfactory completion of an inspection by the relevant national authorities of the manufacturing facility or facilities, including those of third parties, at which the product is produced to assess compliance with strictly enforced current Good Manufacturing Practices;
- potential audits of the non-clinical and clinical trial sites that generated the data in support of the MAA; and
- review and approval by the relevant competent authority of the MAA before any commercial marketing, sale or shipment of the product.

Preclinical studies

Preclinical tests include laboratory evaluations of product chemistry, formulation and stability, as well as studies to evaluate toxicity in animal studies, in order to assess the potential safety and efficacy of the product. The conduct of the preclinical tests and formulation of the compounds for testing must comply with the relevant EU regulations and requirements. The results of the preclinical tests, together with relevant manufacturing information and analytical data, are submitted as part of the CTA.

Clinical trial approval

Pursuant to the Clinical Trials Directive 2001/20/EC, as amended, a system for the approval of clinical trials in the European Union has been implemented through national legislation of the member states. Under this system, approval must be obtained from the competent national authority of each EU member state in which a study is planned to be conducted. To this end, a CTA is submitted, which must be supported by an investigational medicinal product dossier, or IMPD, and further supporting information prescribed by the Clinical Trials Directive and other applicable guidance documents. Furthermore, a clinical trial may only be started after a competent ethics committee has issued a favorable opinion on the clinical trial application in that country.

Manufacturing and import into the EU of investigational medicinal products is subject to the holding of appropriate authorizations and must be carried out in accordance with current Good Manufacturing Practices.

Health authority interactions

During the development of a medicinal product, frequent interactions with the EU regulators are vital to make sure all relevant input and guidelines/regulations are taken into account in the overall program. We have established an ongoing dialogue with the PEI, the national competent authority in Germany regulating, among others, antibody products.

- *Informal interactions*: We have had several informal discussions by phone with the PEI.
- *Formal CHMP scientific advice*: We have not yet had a formal scientific advice meeting with the Committee for Medicinal Products for Human Use or CHMP, but plan to do so in 2015 to discuss the further clinical development of AFM13.
- *Formal national feedback*: We have had several scientific advice meetings with the PEI on AFM13 and AFM11. We also received written scientific advice from the PEI on special questions of the non-clinical development of AFM13 and AFM11. In the most recent scientific advice meeting the planned phase 2 study with AFM13 was reviewed and guidance was received which has been incorporated in our clinical development plan.
- *Business pipeline meetings*: We have not yet sought business pipeline meetings.
- *Paediatric investigation plans:* We are planning to submit a paediatric investigation plan to the EMA for AFM13 within the next year.

Pediatric studies

Regulation (EC) 1901/2006, which came into force on January 26, 2007, aims to facilitate the development and accessibility of medical products for use in children without subjecting children to unnecessary trials, or delaying the authorization of medicinal products for use in adults. The regulation established the Paediatric Committee, or PDCO, which is responsible for coordinating the EMA's activities regarding medicines for children. The PDCO's main role is to determine all the studies that marketing authorization applicants need to do in the pediatric population as part of the so-called Paediatric Investigation Plans, or PIPs. All applications for marketing authorization for new medicines that were not authorized in the European Union before January 26, 2007 have to include either the results of studies carried out in children of different ages (as agreed with the PDCO), or proof that a waiver or a deferral of these studies has been obtained from the PDCO. As indicated, the PDCO determines what pediatric studies are necessary and describes them in a PIP. This requirement for pediatric studies also applies when a company wants to add a new indication, pharmaceutical form or route of administration for a medicine that is already authorized. The PDCO can grant deferrals for some medicines, allowing a company to delay development of the medicine in children until there is enough information to demonstrate its effectiveness and safety in adults and can also grant waivers when development of a medicine in children is not needed or is not appropriate, such as for diseases that only affect the elderly population.

Before a MAA can be filed, or an existing marketing authorization can be varied, the EMA checks that companies are in compliance with the agreed studies and measures listed in each relevant PIP.

Regulation (EC) 1901/2006 also introduced several incentives for the development of medicines for children in the EU:

- medicines that have been authorized across the European Union in compliance with an agreed PIP are eligible for an extension of their patent protection by six months. This is the case even when the pediatric studies' results are negative;
- for orphan medicines, the incentive is an additional two years of market exclusivity, extending the typical 10-year period to 12 years;
- scientific advice and protocol assistance at the EMA are free of charge for questions relating to the development of medicines for children; and
- medicines developed specifically for children that are already authorized but are not protected by a patent or supplementary protection certificate, may be eligible for a paediatric use marketing authorization, or PUMA. If a PUMA is granted, the product will benefit from 10 years of market protection as an incentive for the development of the product for use in children.

The indications we pursue, especially those in certain hematologic malignancies, involve pediatric patients and we shall prepare PIPs at the appropriate time

Marketing authorization application

Authorization to market a product in the EU member states proceeds under one of four procedures: a centralized authorization procedure, a mutual recognition procedure, a decentralized procedure or a national procedure. Since our products by their virtue of being antibody-based biologics fall under the centralized procedure, only this procedure will be described here.

Centralized authorization procedure

Certain drugs, including medicinal products developed by means of biotechnological processes, must be approved via the centralized authorization procedure for marketing authorization. A successful application under the centralized authorization procedure results in a marketing authorization from the European Commission, which is automatically valid in all EU member states. The other European Economic Area member states (namely Norway, Iceland and Liechtenstein) are also obligated to recognize the Commission decision. The EMA and the European Commission administer the centralized authorization procedure.

Under the centralized authorization procedure, the CHMP serves as the scientific committee that renders opinions about the safety, efficacy and quality of human products on behalf of the EMA. The CHMP is composed of experts nominated by each member state's national drug authority, with one of them appointed to act as Rapporteur for the co-ordination of the evaluation with the possible assistance of a further member of the Committee acting as a Co-Rapporteur. After approval, the Rapporteur(s) continue to monitor the product throughout its life cycle. The CHMP is required to issue an opinion within 210 days of receipt of a valid application, though the clock is stopped if it is necessary to ask the applicant for clarification or further supporting data. The process is complex and involves extensive consultation with the regulatory authorities of member states and a number of experts. Once the procedure is completed, a European Public Assessment Report, or EPAR, is produced. If the CHMP concludes that the quality, safety and efficacy of the medicinal product is sufficiently proven, it adopts a positive opinion. The CHMP's opinion is sent to the European Commission, which uses the opinion as the basis for its decision whether or not to grant a marketing authorization. If the opinion is negative, information is given as to the grounds on which this conclusion was reached.

After a drug has been authorized and launched, it is a condition of maintaining the marketing authorization that all aspects relating to its quality, safety and efficacy must be kept under review. Sanctions may be imposed for failure to adhere to the conditions of the marketing authorization. In extreme cases, the authorization may be revoked, resulting in withdrawal of the product from sale.

Accelerated assessment procedure

When an application is submitted for a marketing authorization in respect of a drug for human use which is of major interest from the point of view of public health and in particular from the viewpoint of therapeutic innovation, the applicant may request an accelerated assessment procedure pursuant to Article 14(9) of Regulation (EC) 726/2004. Under the accelerated assessment procedure, the CHMP is required to issue an opinion within 150 days of receipt of a valid application, subject to clock stops. We believe that many of our product candidates may qualify for this provision and we will take advantage of this provision as appropriate.

Conditional approval

As per Article 14(7) of Regulation (EC) 726/2004, a medicine that would fulfill an unmet medical need may, if its immediate availability is in the interest of public health, be granted a conditional marketing authorization on the basis of less complete clinical data than are normally required, subject to specific obligations being imposed on the authorization holder. These specific obligations are to be reviewed annually by the EMA. The list of these obligations shall be made publicly accessible. Such an authorization shall be valid for one year, on a renewable basis.

Period of authorization and renewals

A marketing authorization is initially valid for five years and may then be renewed on the basis of a re-evaluation of the risk-benefit balance by the EMA or by the competent authority of the authorizing member state. To this end, the marketing authorization holder shall provide the EMA or the competent authority with a consolidated version of the file in respect of quality, safety and efficacy, including all variants introduced since the marketing authorization was granted, at least six months before the marketing authorization ceases to be valid. Once renewed, the marketing authorization shall be valid for an unlimited period, unless the Commission or the competent authority decides, on justified grounds relating to pharmacovigilance, to proceed with one additional five-year renewal. Any authorization which is not followed by the actual placing of the drug on the EU market (in case of centralized procedure) or on the market of the authorizing member state within three years after authorization shall cease to be valid (the so-called sunset clause).

Orphan drug designation

Regulation (EC) 141/2000 states that a drug shall be designated as an orphan drug if its sponsor can establish:

(a)(i) that it is intended for the diagnosis, prevention or treatment of a life-threatening or chronically debilitating condition affecting not more than five in 10,000 persons in the European Union when the application is made, or;

(a)(ii) that it is intended for the diagnosis, prevention or treatment of a life-threatening, seriously debilitating or serious and chronic condition in the European Union and that without incentives it is unlikely that the marketing of the drug in the European Union would generate sufficient return to justify the necessary investment; and

(b) that there exists no satisfactory method of diagnosis, prevention or treatment of the condition in question that has been authorized in the European Union or, if such method exists, the drug will be of significant benefit to those affected by that condition.

Regulation (EC) 847/2000 sets out criteria for the designation of orphan drugs.

An application for designation as an orphan product can be made any time prior to the filing of an application for approval to market the product. Marketing authorization for an orphan drug leads to a ten-year period of market exclusivity. This period may, however, be reduced to six years if, at the end of the fifth year, it is established that the product no longer meets the criteria for orphan drug designation, for example because the product is sufficiently profitable not to justify continued market exclusivity. Market exclusivity can be revoked only in very selected cases, such as consent from the marketing authorization holder, inability to supply sufficient quantities of the product, demonstration of "clinically relevant superiority" by a similar medicinal product, or, after a review by the Committee for Orphan Medicinal Products, requested by a member state in the fifth year of the marketing exclusivity period (if the designation criteria are believed to no longer apply). Medicinal products designated as orphan drugs pursuant to Regulation (EC) 141/2000 shall be eligible for incentives made available by the European Union and by the member states to support research into, and the development and availability of, orphan drugs.

We have applied for and been granted orphan status in the European Union for AFM13.

Regulatory data protection

Without prejudice to the law on the protection of industrial and commercial property, marketing authorizations for new medicinal products benefit from an 8+2+1 year period of regulatory protection.

This regime consists of a regulatory data protection period of eight years plus a concurrent market exclusivity of ten years plus an additional market exclusivity of one further year if, during the first eight years of those ten years, the marketing approval holder obtains an approval for one or more new therapeutic indications which, during the scientific evaluation prior to their approval, are determined to bring a significant clinical benefit in comparison with existing therapies. Under the current rules, a third party may reference the preclinical and clinical data of the reference product beginning eight years after first approval, but the third party may market a generic version after only ten (or eleven) years have lapsed.

As indicated, additional regulatory data protection can be applied for when an applicant has complied with all requirements as set forth in an approved PIP.

International Regulation

In addition to regulations in the United States and Europe, a variety of foreign regulations govern clinical trials, commercial sales, and distribution of product candidates. The approval process varies from country to country and the time to approval may be longer or shorter than that required for FDA or European Commission approval.

Pharmaceutical Coverage, Pricing, and Reimbursement

In the United States and other countries, sales of any products for which we receive regulatory approval for commercial sale will depend in part on the availability of reimbursement from third-party payors, including government health administrative authorities, managed care providers, private health insurers, and other organizations. Third-party payors are increasingly examining the medical necessity and cost effectiveness of medical products and services in addition to safety and efficacy and, accordingly, significant uncertainty exists as to the reimbursement status of newly approved therapeutics. Third-party reimbursement adequate to enable us to realize an appropriate return on our investment in research and product development may not be available for our products.

The division of competences within the European Union leaves to Member States the power to organize their own social security systems, including health care policies to promote the financial stability of their health care insurance systems. According to Article 168 of the Treaty on the Functioning of the European Union or TFEU, "Union action shall respect the responsibilities of the Member States for the definition of their health policy and for the organization and delivery of health services and medical care."

In this context, the national authorities are free to set the prices of medicinal products and to designate the treatments that they wish to reimburse under their social security system. However, the European Union has defined a common procedural framework through the adoption of Council Directive 89/105/EEC, which is generally known as the “Transparency Directive.” This instrument aims to ensure that national pricing and reimbursement decisions are made in a transparent manner and do not disrupt the operation of the internal market.

The Pharmaceutical Pricing and Reimbursement systems established by Member States are usually quite complex. Each country uses different schemes and policies, adapted to its own economic and health needs. We would have to develop or access special expertise in this field to prepare health economic dossiers on our medicinal products if we would market our products, if and when approved, in the EU.

Facilities

Our headquarters are in Heidelberg, Germany, where we occupy office and laboratory space at the Technologiepark (Technology Park) under a revolving 24-month lease period, with a 12-month termination period. The lease could expire in 2016 if notice to terminate is provided by either party by August 2015.

Employees

As of June 30, 2014, we had 40 personnel, 27 of whom have an advanced academic degree (Diploma/Master, PhD, MD). Including AbCheck, our total headcount is 53.

Legal Proceedings

We are not currently a party to any material legal proceedings.

MANAGEMENT

Management Board, Key Employees and Consultants and Supervisory Board

The following table presents information about our management board, key employees and consultants and supervisory board upon consummation of this offering and after giving effect to our corporate reorganization.

NAME	POSITION	AGE	INITIAL YEAR OF APPOINTMENT
Managing Directors and Key Employees and Consultants			
Adi Hoess	Chief Executive Officer	52	2010
Florian Fischer	Chief Financial Officer	46	2005
Jens-Peter Marschner	Chief Medical Officer	51	2013
Ulrich M. Grau	Advisor	65	2013
Erich Rajkovic	Head of Business Development and Alliance Management	35	2007
Claudia Wall	Head of Project Management Regulatory Affairs and Quality Management	47	2002
Eugene Zhukovsky	Chief Scientific Officer	55	2011
Supervisory Directors			
Thomas Hecht	Chairman	63	2007
Berndt Modig	Director	55	2014
Frank Mühlenbeck	Director	43	2007
Michael B. Sheffery	Director	63	2007
Richard B. Stead	Director	61	2007
Ferdinand Verdonck	Director	72	2014

Unless otherwise indicated, the current business address for our managing directors, key employees and consultants and supervisory directors is Affimed Therapeutics AG, Technologiepark, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany.

Board structure

We have a two-tier board structure consisting of our management board (*raad van bestuur*) and a separate supervisory board (*raad van commissarissen*).

Management Board and Key Employees and Consultants

Management Board

The management board is in charge of managing us under the supervision of the supervisory board. The number of managing directors is determined by our supervisory board. Managing directors are appointed by the general meeting of shareholders upon a binding nomination of the supervisory board.

The following is a brief summary of the business experience of our managing directors.

Adi Hoess, Chief Executive Officer. Dr. Hoess joined us in October 2010 as Chief Commercial Officer and since September 2011 has served as our Chief Executive Officer. He has more than 20 years of professional experience with an extensive background in general management, business development, product commercialization, fund raising and M&A. Prior to joining us, Dr. Hoess was Chief Commercial Officer at Jerini AG and Chief Executive Officer of Jenowis AG. At Jerini AG he was responsible for business

development, marketing and sales and the market introduction of Firazyr. He also played a major role in the sale of Jerini to Shire Pharmaceuticals. Dr. Hoess began his professional career in 1993 at MorphoSys. Dr. Hoess received his Ph.D. in chemistry and biochemistry from the University of Munich in 1991 and an M.D. from the Technical University of Munich in 1997.

Florian Fischer, Chief Financial Officer. Dr. Fischer joined us in 2005 as Chief Financial Officer on a part-time basis, which has increased over time. Since January 1, 2014, Dr. Fischer has served 95% of his time with us. Dr. Fischer is founder and Chief Executive Officer of MedVenture Partners, a Munich-based corporate finance and strategy advisory company focusing on the life sciences and health care industry. Dr. Fischer was the Chief Financial Officer of Activaero GmbH from 2002 until 2011 and has been involved with corporate development since 2011. He also served as the Chief Financial Officer of Vivendy Ltd. from 2008 until 2013 and as a managing director of AbCheck in 2009. Prior to founding MedVenture Partners, Dr. Fischer worked with KPMG for more than six years until 2002, where he was responsible for biotech and healthcare assignments. Before joining KPMG, he worked for Deutsche Bank AG. Dr. Fischer is also a member of the audit committee of Amphivena. He holds a graduate degree in business administration from Humboldt University, Berlin and a Ph.D. in public health from the University of Bielefeld.

Jens-Peter Marschner, Chief Medical Officer. Dr. Marschner joined us in 2013 from Merck KGaA (Merck Serono). He has 19 years of professional experience in clinical development with a focus on biological compounds. At Merck Serono, Dr. Marschner served as Vice President Immunological Programs Oncology from 2009-2012 and Vice President Global Medical Affairs from 2003-2009, primarily in the field of oncology. Dr. Marschner led the clinical development team of cetuximab (Erbitux®), a monoclonal antibody to treat colorectal cancer, which was successfully launched in 2004. He started his pharmaceutical career in 1995 at Boehringer Mannheim, which is now part of Roche. He studied medicine in Jena (Germany), obtained an M.D. in 1991 from Johann-Wolfgang-Goethe-University in Frankfurt and became a board certified specialist in clinical pharmacology in 1995.

Key Employees and Consultants

The following is a brief summary of the business experience of certain of our key employees and consultants.

Ulrich M. Grau, Advisor. Dr. Grau has served as an advisor to our board since May 2013. He has over 30 years of experience in the biotechnology and pharmaceutical industries including general management, business development, corporate strategy and the development of new products and technologies. Dr. Grau was Chief Operating Officer at Micromet from 2011 to 2012. Between 2006 and 2010, Dr. Grau was a founder, President and CEO of Lux Biosciences, Inc., a clinical stage ophthalmic company. Previously, Dr. Grau served as President of Research and Development at BASF Pharma/ Knoll where he directed a global R&D organization whose development pipeline included Humira. The majority of his career was at Aventis Pharma, where he last held the position of senior VP of global late stage development. Lantus® is based on his inventions made during his early years as a scientist with Hoechst AG. Dr. Grau received his Ph.D. in chemistry and biochemistry from the University of Stuttgart and spent three years as a post-doctoral fellow at Purdue University in the field of protein crystallography.

Erich Rajkovic, Head of Business Development and Alliance Management. Dr. Rajkovic joined us in 2007 as scientist in antibody discovery and antibody engineering. In 2010, he joined our Business Development team and was promoted to Director of Business Development in 2011. Since 2013 he has been responsible for Business Development & Alliance Management. Dr. Rajkovic played a key role in the negotiations with Amphivena and Janssen and with The Leukemia & Lymphoma Society. In addition, Dr. Rajkovic has been leading the negotiations of the cGMP manufacturing and clinical trial agreements. Prior to Affimed Dr. Rajkovic worked for Kwizda Pharma (Austria). He studied pharmacy and received his Ph.D. in protein chemistry and biophysics from the University of Graz (Austria) in 2006.

Claudia Wall, Head of Project Management Regulatory Affairs and Quality Management. Dr. Wall joined us in 2002 as scientist responsible for the generation and screening of highly diverse antibody libraries. In 2008, Dr. Wall was promoted to Head of Project Management, Regulatory Affairs and Quality Management where she has been responsible for the successful establishment of the cGMP-compliant production processes of both lead projects AFM13 and AFM11. In addition, Dr. Wall managed the successful filings of the respective CTAs and INDs for both programs. Prior to joining Affimed, Dr. Wall worked as a scientific associate from 1997 until 2001 at Hoffmann-LaRoche AG Grenzach-Wyhlen in the neurodegenerative diseases and dermatology unit. She received her undergraduate degree in biology and a Ph.D. from the Institute of Pathobiochemistry and General Neurochemistry at the Faculty of Medicine at Ruprecht-Karls-University in Heidelberg.

Eugene Zhukovsky, Chief Scientific Officer. Dr. Zhukovsky joined us in 2011 as Chief Scientific Officer. He retired from our managing board as of March 31, 2014 and plans to serve in the role of Chief Scientific Officer as a consultant until September 2014. Dr. Zhukovsky has 20 years of professional experience in the field of biotherapeutics research and development. Prior to joining us, Dr. Zhukovsky was a Senior Research Fellow at Boehringer Ingelheim Pharmaceuticals where he led antibody discovery efforts directed towards inflammatory and cardiovascular diseases. From 2002 to 2008 Dr. Zhukovsky was at Xencor Inc. where he led translational research resulting in several therapeutic candidates targeting malignant and normal B cells. Dr. Zhukovsky received his Ph.D. in biochemistry from Brandeis University for studies of GPCR structure-function relationships employing the visual pigment rhodopsin and an M.S. degree in bioorganic chemistry at St. Petersburg's State University.

Supervisory Board

Our supervisory board supervises the policies of the management board and the general course of the affairs of our business. The supervisory board gives advice to the management board and is guided by our interests and our business when performing its duties. The management board provides the supervisory board with such necessary information as is required to perform its duties. Supervisory directors are appointed by the general meeting of shareholders upon a binding nomination of the supervisory board for a term of up to four years.

Our Articles of Association provide for a term of appointment of supervisory directors of up to four years. Furthermore, our Articles of Association state that a supervisory director may be reappointed, but that any supervisory director may be a supervisory director for no longer than twelve (12) years. Our supervisory directors are appointed for different terms as a result of which only approximately one quarter of our supervisory directors will be subject to election in any one year. Such an appointment has the effect of creating a staggered board and may deter a takeover attempt.

The supervisory board meets as often as a supervisory board member deems necessary. In a meeting of the supervisory board, each supervisory director has a right to cast one vote. All resolutions by the supervisory board are adopted by an absolute majority of the votes cast. In the event the votes are equally divided, the chairman has the decisive vote. A supervisory director may grant another supervisory director a written proxy to represent him at the meeting.

Our supervisory board can pass resolutions outside of meetings, provided that the resolution is adopted in writing and all supervisory directors have consented to adopting the resolution outside of a meeting.

Our supervisory directors do not have a retirement age requirement under our Articles of Association.

The following is a brief summary of the business experience of our supervisory directors. Each director's tenure reflects their tenure on Affimed Therapeutics AG's board.

Thomas Hecht, Chairman. Dr. Hecht has been the chairman of our supervisory board since 2007. He is head of Hecht Healthcare Consulting in Küssnacht, Switzerland, a biopharmaceutical consulting company founded in 2002. Dr. Hecht also serves as chairman of the board of directors of Cell Medica Ltd., Delenex AG

and of the supervisory council of SuppreMol GmbH, and as a director of Humabs BioMed AG. Dr. Hecht was previously Vice President Marketing at Amgen Europe. A seasoned manager and industry professional, he held various positions of increasing responsibility in clinical development, medical affairs and marketing at Amgen between 1989 and 2002. Prior to joining the biopharmaceutical industry, he was certified in internal medicine and served as Co-Head of the Program for Bone Marrow Transplantation at the University of Freiburg, Germany.

Berndt Modig, Director. Mr. Modig is expected to be elected to our supervisory board in connection with the consummation of this offering. He has served as Chief Financial Officer of Prosensa Holding N.V. since March 2010. Mr. Modig has more than 25 years of international experience in finance and operations, private equity and mergers and acquisitions. Before joining Prosensa, Mr. Modig was Chief Financial Officer at Jerini AG from October 2003 to November 2008, where he directed private financing rounds, its initial public offering in 2005 and its acquisition by Shire plc in 2008. Prior to Jerini, Mr. Modig served as Chief Financial Officer at Surplex AG from 2001 to 2003 and as Finance Director Europe of U.S.-based Hayward Industrial Products Inc. from 1999 to 2001. In previous positions, Mr. Modig was a partner in the Brussels-based private equity firm Agra Industria from 1994 to 1999 and a Senior Manager in the Financial Services Industry Group of Price Waterhouse LLP in New York from 1991 to 1994. Mr. Modig served as a director of Mobile Loyalty plc from 2012 to 2013. Mr. Modig has a bachelor's degree in business administration, economics and German from the University of Lund, Sweden and an M.B.A. degree from INSEAD, Fontainebleau, France and is a Certified Public Accountant.

Frank Mühlenbeck, Director. Dr. Mühlenbeck has been a member of our supervisory board since 2007. Dr. Mühlenbeck is a partner at aeris Capital AG. Dr. Mühlenbeck previously served as partner at firstVentury Equity GmbH and as an adviser for the establishment and startup of numerous biotechnology companies on behalf of tbg, the German Federal Entrepreneurial Bank. Dr. Mühlenbeck serves as Chairman of Supervisory Board at Curetis AG and serves as director of Solstice Biologics LLC, ConforMis, Inc., Loeser Medizintchnik GnbH, Tübingen Scientific GmbH. and Amphivena Therapeutics, Inc. Dr. Mühlenbeck completed the EVCA Institute Private Equity Management Training and was trained as an analyst at Lehman Brothers, London. He earned a Ph.D. in cell biology and immunology from the University of Stuttgart. Dr. Mühlenbeck was nominated to serve on our board by aeris Capital AG, one of our shareholders.

Michael B. Sheffery, Director. Dr. Sheffery has been a member of our supervisory board since 2007. He is a Partner Emeritus at OrbiMed Advisors LLC. Dr. Sheffery was formerly Head of the Laboratory of Gene Structure and Expression at Memorial Sloan-Kettering Cancer Center. He joined Mehta & Isaly, an investment firm, in 1996 as a senior analyst covering the biotechnology industry. He is currently a director of Pieris AG and is a member of the supervisory board of arGEN-X BV and previously served as a director of Athersys, Inc., CoGenesys, Inc. and Supernus Pharmaceuticals, Inc. Dr. Sheffery earned both his Ph.D. in molecular biology and his B.A. in biology from Princeton University. Dr. Sheffery was nominated to serve on our board by OrbiMed Advisors LLC, one of our shareholders.

Richard B. Stead, Director. Dr. Stead has been a member of our supervisory board since 2007. He has more than 25 years of experience in the biotechnology and pharmaceutical industries, designing and directing clinical trials, regulatory strategy and licensing activities. He is currently Founder and Principal of BioPharma Consulting Services, where he is involved in the development of a number of oncology products including different strategies for cancer immunotherapy. Previously, he was Vice President, Clinical Research of Immunex Corporation, responsible for oncology and neurology product development. Dr. Stead has served in various positions in clinical development and played a key role in the FDA approval and commercialization of Amgen's first two products, Epogen and Neupogen. Dr. Stead graduated from the University of Wisconsin and earned an M.D. from Stanford University. He completed his internship and residency as well as a fellowship in Hematology at Harvard Medical School and the Brigham and Women's Hospital followed by post-doctoral research in the Laboratory of Molecular Biology at the National Cancer institute. He also serves on the boards of Ascend Biopharmaceuticals Ltd. and the Seattle Reparatory Theatre.

Ferdinand Verdonck, Director. Mr. Verdonck has been a member of our supervisory board since July 2014. He is chairman of the supervisory board of uniQure N.V. and is a director of Virtus Funds, J.P. Morgan European Investment Trust, Groupe SNEF and Laco Information Services. In recent years he was a member of the board of directors and chairman of the audit committee of two biotechnology companies in Belgium, Movetis and Galapagos. He has previously served as chairman of Banco Urquijo and of Nasdaq Europe and as a director of Dictaphone Corporation. From 1992 to 2003, he was the managing director of Almanij NV, a financial services company which has since merged with KBC, and his responsibilities included company strategy, financial control, supervision of executive management and corporate governance, including board participation in publicly-traded and privately-held companies in many countries. Mr. Verdonck holds a law degree from KU Leuven and degrees in economics from KU Leuven and the University of Chicago.

Board Composition and Election of Directors After This Offering

Our supervisory board is comprised of six directors. Each supervisory director is elected for a term of up to four years. Our directors do not have a retirement age requirement under our Articles of Association. Our supervisory directors will be elected by our general meeting of shareholders prior to the consummation of this offering to serve until their successors are duly elected and qualified.

We will be a foreign private issuer. As a result, in accordance with Nasdaq listing requirements, we will comply with home country governance requirements and certain exemptions thereunder rather than complying with Nasdaq corporate governance requirements. In accordance with Dutch law and generally accepted business practices, our articles of association do not provide quorum requirements generally applicable to general meetings of shareholders in the United States. To this extent, our practice varies from the requirement of Nasdaq Listing Rule 5620(c), which requires an issuer to provide in its bylaws for a generally applicable quorum, and that such quorum may not be less than one-third of the outstanding voting stock. Although we must provide shareholders with an agenda and other relevant documents for the general meeting of shareholders, Dutch law does not have a regulatory regime for the solicitation of proxies and the solicitation of proxies is not a generally accepted business practice in the Netherlands, thus our practice will vary from the requirement of Nasdaq Listing Rule 5620(b). As permitted by the listing requirements of Nasdaq, we have also opted out of the requirements of Nasdaq Listing Rule 5605(d), which requires an issuer to have a compensation committee that, inter alia, consists entirely of independent directors, and Nasdaq Listing Rule 5605(e), which requires an issuer to have independent director oversight of director nominations. We will also rely on the phase-in rules of the SEC and Nasdaq with respect to the independence of our audit committee. These rules require that a majority of our supervisory directors must be independent and all members of our audit committee must meet the independence standard for audit committee members within one year of the effectiveness of the registration statement of which this prospectus forms a part. Upon the closing of this offering, our audit committee is expected to have three members, but between the effectiveness of the registration statement of which this prospectus forms a part and the closing of the offering, our audit committee will only have one member, in a deviation from Nasdaq Listing Rule 5605(c)(2)(A) that is permitted because it is not prohibited by Dutch law. Following the closing of this offering, we will satisfy Nasdaq Listing Rule 5605(c)(2)(A), subject to the phase-in rule cited above. In addition, we have opted out of shareholder approval requirements for the issuance of securities in connection with certain events such as the acquisition of stock or assets of another company, the establishment of or amendments to equity-based compensation plans for employees, a change of control of us and certain private placements. To this extent, our practice varies from the requirements of Nasdaq Rule 5635, which generally requires an issuer to obtain shareholder approval for the issuance of securities in connection with such events. For an overview of our corporate governance principles, see “Description of Share Capital and Articles of Association.”

Audit Committee of the Supervisory Board

The audit committee, which is expected to consist of Ferdinand Verdonck (Chairman), Berndt Modig and Thomas Hecht, will assist the board in overseeing our accounting and financial reporting processes and the

audits of our financial statements. In addition, the audit committee will be directly responsible for the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm. Our supervisory board has determined that satisfies the "independence" requirements set forth in Rule 10A-3 under the Exchange Act. The supervisory board has determined that Ferdinand Verdonck qualifies as an "audit committee financial expert," as such term is defined in the rules of the SEC. We will rely on the phase-in rules of the SEC and Nasdaq with respect to the independence of our audit committee. These rules require that all members of our audit committee must meet the independence standard for audit committee membership within one year of the effectiveness of the registration statement of which this prospectus forms a part.

Compensation Committee of the Supervisory Board

The compensation committee, which is expected to consist of Thomas Hecht (Chairman), Michael B. Sheffery and Frank Mühlenbeck, will assist the supervisory board in determining management board compensation. The committee will recommend to the supervisory board for determination the compensation of each of our managing directors. Under SEC and Nasdaq rules, there are heightened independence standards for members of the compensation committee, including a prohibition against the receipt of any compensation from us other than standard supervisory director fees. As permitted by the listing requirements of Nasdaq, we will opt out of Nasdaq Listing Rule 5605(d) which requires that a compensation committee consist entirely of independent directors.

Nomination and Corporate Governance Committee of the Supervisory Board

The nomination and corporate governance committee, which is expected to consist of Michael B. Sheffery (Chairman), Thomas Hecht and Richard B. Stead, will assist our supervisory board in identifying individuals qualified to become members of our supervisory board and management board consistent with criteria established by our supervisory board and in developing our corporate governance principles. As permitted by the listing requirements of Nasdaq, we will opt out of Nasdaq Listing Rule 5605(e) which requires independent director oversight of director nominations.

Compensation of Managing Directors and Supervisory Directors

The aggregate compensation, including benefits in kind, accrued or paid to our managing directors and supervisory directors with respect to the year ended December 31, 2013, for services in all capacities was approximately €6.58 million. As of December 31, 2013, we have no amounts set aside or accrued to provide pension, retirement or similar benefits to our managing directors and supervisory directors. No equity awards were granted by the Company to any of the managing directors or supervisory directors in 2013. Our existing shareholders have entered into an agreement with our managing directors and certain of our supervisory directors and consultants that grants the beneficiaries the right to receive a payment equal to a certain percentage of the fair value of the Company contingent upon the occurrence of a defined event, including an initial public offering. See "Related Party Transactions."

Dutch law provides that we must establish a policy in respect of the remuneration of our managing directors and supervisory directors. With respect to remuneration in the form of plans for shares or rights to shares (such as the Stock Option Plan 2014 mentioned below) the policy for managing directors must set out the maximum number of shares or rights to shares to be granted as well as the criteria for grants and for amending existing grants. Our remuneration policy will be adopted and approved by the general meeting of shareholders prior to the consummation of this offering. The supervisory board will determine the remuneration of the managing directors and supervisory directors in accordance with the remuneration policy.

Managing Director and Supervisory Director Service Contracts

Our managing directors (and in one case, a company fully-owned by one of our managing directors) have entered into management services agreements with us. These agreements provide for benefits upon a termination of service.

Certain of our supervisory directors have entered into service agreements with us (see the section entitled “Related Party Transactions”). None of these service agreements provide for severance benefits.

Stock Option Equity Incentive Plan 2007

Under the Stock Option Equity Incentive Plan 2007 (the “2007 SOP”), the Company may grant up to 101,987 stock options to purchase preferred shares of the Company to managing directors. Up to 10,675 of the authorized stock options may also be granted to other employees. As of the date of this prospectus, the outstanding awards under the 2007 SOP cover 97,322 preferred shares. All of these awards are fully vested. The option exercise price for all outstanding awards is €30.89 per share. None of the outstanding stock options are held by U.S. taxpayers.

Plan administration. The 2007 SOP is administered by the management board, or with respect to awards to our officers, by the supervisory board. The respective board determines the participants, the amount of the award, the exercise period and any other matters arising under the plan.

In conjunction with the corporate reorganization, all outstanding awards granted under the 2007 SOP will be converted into awards exercisable for common shares of Affimed N.V., and no additional grants will be made under the 2007 SOP. See “Corporate Reorganization.”

Stock Option Plan 2014

In conjunction with the closing of this offering, we intend to establish the Affimed N.V. Stock Option Plan 2014 (“the 2014 Plan”) with the purpose of advancing the interests of our shareholders by enhancing our ability to attract, retain and motivate individuals who are expected to make important contributions to us. The maximum number of shares available for issuance under the 2014 Plan shall equal 6% of the total outstanding common shares on the date of the adoption of the 2014 Plan, which is expected to be the closing of the Offering. On January 1 of any calendar year thereafter, an additional 4% of the total outstanding common shares on that date becomes available for issuance under the 2014 Plan. The absolute number of shares available for issuance under the 2014 Plan will increase automatically upon the issuance of additional shares by the Company. The option exercise price for options under the 2014 Plan is the fair market value of a share as defined in the 2014 Plan on the relevant grant date.

Plan administration. The 2014 Plan is administered by our compensation committee. Approval of the compensation committee is required for all grants of awards under the 2014 Plan. The compensation committee may delegate to the managing directors the authority to grant equity awards under the 2014 Plan to our employees.

Eligibility. Supervisory directors, managing directors and other employees and consultants of the Company are eligible for awards under the 2014 Plan.

Awards. Awards include options and restricted stock units.

Vesting period. Subject to any additional vesting conditions that may be specified in an individual grant agreement, and the accelerated vesting conditions below, the plan provides for three year vesting of stock options. One-third of the stock options granted to participants in connection with the start of their employment vest on the first anniversary of the grant date, with the remainder vesting in equal tranches at the end of each 3-month period thereafter. Stock options granted to other participants vest in equal tranches at the end of each 3-month period after the grant date over the course of the vesting period. The compensation committee will establish a vesting schedule for awards granted to supervisory directors as well as for any awards in the form of restricted stock units.

Accelerated vesting. Unless otherwise specified in an individual grant agreement, the 2014 Plan provides that upon a change of control of the Company (as defined in the 2014 Plan) all then outstanding equity

awards will vest and become immediately exercisable. It also provides that upon a participant's termination of service due to (i) retirement (or after reaching the statutory retirement age), (ii) permanent disability rendering the relevant participant incapable of continuing employment or (iii) death, all outstanding equity awards that would have vested during a 12 month period following such termination of service will vest and become immediately exercisable. Otherwise at termination all unvested awards will be forfeited. If a participant experiences a termination of service without "cause" or for "good reason" (in each case, as defined in the 2014 Plan) within six months prior to a change of control, the Company will make a cash payment equivalent to the economic value that the participant would have realized in connection with the change of control upon the exercise and sale of the equity awards that such participant forfeited upon his or her termination of service. In connection with a change of control and subject to the approval of the supervisory board, the management board may amend the exercise provisions of the 2014 Plan.

Insurance and Indemnification

Our managing directors and supervisory directors have the benefit of indemnification provisions in our Articles of Association. These provisions give managing directors and supervisory directors the right, to the fullest extent permitted by law, to recover from us amounts, including but not limited to litigation expenses, and any damages they are ordered to pay, in relation to acts or omissions in the performance of their duties. However, there is generally no entitlement to indemnification for acts or omissions that amount to willful (*opzettelijk*), intentionally reckless (*bewust roekeloos*) or seriously culpable (*ernstig verwijtbaar*) conduct. In addition, upon consummation of this offering we intend to enter into agreements with our managing directors and supervisory directors to indemnify them against expenses and liabilities to the fullest extent permitted by law. These agreements also provide, subject to certain exceptions, for indemnification for related expenses including, among others, attorneys' fees, judgments, penalties, fines and settlement amounts incurred by any of these individuals in any action or proceeding. In addition to such indemnification, we provide our managing directors and supervisory directors with directors' and officers' liability insurance.

Insofar as indemnification of liabilities arising under the Securities Act may be permitted to supervisory directors, managing directors or persons controlling us pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

PRINCIPAL SHAREHOLDERS

The following table presents information relating to the beneficial ownership of our common shares as of June 30, 2014, and after giving effect to (i) the first tranche of the Series E Financing, (ii) the issuance of warrants to Perceptive following the closing of this offering in connection with the Perceptive credit facility and (iii) our corporate reorganization, by:

- each person, or group of affiliated persons, known by us to own beneficially 5% or more of our outstanding common shares;
- each of our managing directors and supervisory directors; and
- all managing directors and supervisory directors as a group.

The number of common shares beneficially owned by each entity, person, managing director or supervisory director is determined in accordance with the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any common shares over which the individual has sole or shared voting power or investment power as well as any common shares that the individual has the right to acquire within 60 days of June 30, 2014 through the exercise of any option, warrant or other right. Except as otherwise indicated, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all common shares held by that person.

The percentage of outstanding common shares is computed on the basis of common shares outstanding as of June 30, 2014 after giving effect to (i) the first tranche of the Series E Financing, (ii) the issuance of warrants to Perceptive following the closing of this offering in connection with the Perceptive credit facility and (iii) our corporate reorganization, based on the midpoint of the price range stated on the front cover of this prospectus. See “Corporate Reorganization.” Common shares that a person has the right to acquire within 60 days of June 30, 2014 are deemed outstanding for purposes of computing the percentage ownership of the person holding such rights, but are not deemed outstanding for purposes of computing the percentage ownership of any other person, except with respect to the percentage ownership of all managing directors and supervisory directors as a group. Unless otherwise indicated below, the address for each beneficial owner is Affimed Therapeutics AG, Technologiepark, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany. As of June 30, 2014, after giving effect to (i) the first tranche of the Series E Financing, (ii) the issuance of warrants to Perceptive following the closing of this offering in connection with the Perceptive credit facility and (iii) our corporate reorganization, common shares, representing % of our issued and outstanding common shares, were held by two U.S. record holders.

SHAREHOLDER	SHARES BENEFICIALLY OWNED BEFORE THIS OFFERING		SHARES BENEFICIALLY OWNED AFTER THIS OFFERING		PERCENT OF SHARES BENEFICIALLY OWNED ASSUMING FULL EXERCISE OF UNDERWRITERS' OPTION TO PURCHASE ADDITIONAL SHARES
	NUMBER	PERCENT	NUMBER	PERCENT	
5% Shareholders					
Entities affiliated with Aeris Capital AG(1)					
Entities affiliated with OrbiMed Advisors LLC(2)					
Novo Nordisk A/S(3)					
BioMedInvest I Ltd.(4)					
Entities affiliated with Life Sciences Partners(5)					
Managing Directors and Supervisory Directors					
Adi Hoess(8)					
Florian Fischer(8)					
Jens-Peter Marschner(8)					
Thomas Hecht(8)					
Frank Mühlenbeck(6)					
Michael B. Sheffery(7)					
Richard B. Stead(8)					
Ferdinand Verdonck					
Berndt Modig					
All managing directors and supervisory directors as a group (9 persons)					

* Indicates beneficial ownership of less than 1% of the total outstanding common shares.

(1) Consists of shares held by SGR Sagittarius Holding AG ("Sagittarius") and shares held by AGUTH Holding GmbH ("AGUTH"). Voting and investment power over the shares held by SGR Sagittarius Holding AG is exercised by the Board of Directors of SGR Sagittarius Holding AG, Dr. Martin Hess, Uwe R. Feuersenger and Sonja Frech. The address for SGR Sagittarius Holding AG is Brugglistrasse 2, 8852 Altendorf, Switzerland. Voting and investment power over the shares held by AGUTH is exercised by the Board of Directors of AGUTH, Dr. h.c. Klaus Tschira. The address for AGUTH is Schloß-Wolfsbrunnenweg 33, 69118 Heidelberg, Germany.

(2) Consists of shares held by OrbiMed Private Investments III, LP ("OPI III") and shares held by OrbiMed Associates III, LP ("Associates III"). OrbiMed Capital GP III LLC ("GP III") is the general partner of OPI III. OrbiMed Advisors LLC ("OrbiMed") is the managing member of GP III and the general partner of Associates III. Samuel D. Isaly is the managing member of and owner of a controlling interest in OrbiMed and may be deemed to have voting and investment power over the shares held by OPI III and Associates III noted above. Each of GP III, Advisors and Mr. Isaly disclaims beneficial ownership of such shares, except to the extent of its or his pecuniary interest therein, if any. The address for OPI III, Associates III, and OrbiMed is c/o OrbiMed Advisors LLC, 601 Lexington Avenue, 54th Floor, New York, NY 10022.

(3) Novo Nordisk A/S is a publicly-held entity whose B shares are listed on the NASDAQ OMX Copenhagen and whose ADRs are listed on the New York Stock Exchange. The address for Novo Nordisk A/S is Novo Allé, DK-2880 Bagsværd, Denmark.

(4) Voting and investment power over the shares held by BioMedInvest I Ltd. is exercised by Kevin Gilligan or Dr. Markus Hosang. The address for BioMedInvest I Ltd. is Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey GYI 2QE (registered with Guernsey Registry under the number 51788).

(5) Shares are held by LSP III Omni Investment Coöperatief UA (LSP III), a cooperative established under the laws of the Netherlands, with a statutory seat in Amsterdam. LSP III Management B.V. is the sole director of LSP III. The individual directors of LSP III Management B.V. are Martijn Kleijwegt, Rene Kuijten and Joachim Rothe. Martijn Kleijwegt, Rene Kuijten and Joachim Rothe disclaim beneficial ownership of all applicable shares except to the extent of their actual pecuniary interest therein. The principal business address of each of LSP III and LSP III Management B.V. is Johannes Vermeerplein 9, 1071 DV Amsterdam, the Netherlands.

(6) Mr. Mühlenbeck is a partner at Aeris Capital AG and a member of our supervisory board.

(7) Dr. Sheffery is a Partner Emeritus at OrbiMed and a member of our supervisory board and is obligated to transfer any shares issued under any equity grants made to him to OrbiMed and certain of its related entities. Dr. Sheffery disclaims beneficial ownership of the shares held by OPI III and Associates III, except to the extent of his pecuniary interest therein, if any.

(8) Our existing shareholders have entered into agreements with our managing directors and certain of our supervisory directors and consultants that grant the beneficiaries the right to receive a payment equal to a certain percentage of the fair value of the Company contingent upon the occurrence of a defined event, including an initial public offering. Following the expiration of the 180-day lock up period for all shares held by our existing shareholders, we anticipate that these agreements will be satisfied through a transfer to the beneficiaries of 7.78% of the common shares owned by our existing shareholders subsequent to the consummation of the corporate reorganization and immediately prior to the consummation of this offering and that a portion of these common shares will be sold to satisfy withholding taxes triggered by the transfer. See "Shares Eligible for Future Sale."

RELATED PARTY TRANSACTIONS

The following is a description of related party transactions we have entered into since January 1, 2011 with any of our managing directors and supervisory directors and the holders of more than 5% of our common shares.

2012 Convertible Loan Agreement, Series D Preferred Share Financing and 2013 Convertible Loan Agreement

On March 7, 2012, we entered into a convertible loan agreement with certain of our existing shareholders, including Aeris Capital, BioMedInvest I Ltd., OrbiMed Associates III LP, OrbiMed Private Investments III, LP (formerly known as Caduceus Private Investments III LP), LSP III Omni Investment Coöperatief U.A. and Novo Nordisk A/S (collectively, the Lenders), in the amount of €4,750,000 at 8% interest per annum. The convertible loan agreement provided that all principal and interest outstanding on the convertible loan would be converted into shares upon the closing of a Series D financing round (as defined in the convertible loan agreement) in accordance with the terms and provisions of the convertible loan agreement. As of September 24, 2012, the convertible loan had been drawn in the total amount of €4,450,000.

On September 24, 2012, we entered into an investment agreement with the Lenders and DKFZ pursuant to which we agreed to issue and sell an aggregate of 502,528 Series D preferred shares in exchange for a contribution of €10,772,415 and the conversion of the existing convertible loan of €4,748,750 including interest and nominal value of the preferred shares, in two tranches (the Series D Financing). In the first tranche, the Lenders agreed to convert the principal amount of the loan and interest thereon and invest new capital of €153,750 at the issue price of €1.00 per share for 153,750 new Series D preferred shares issued in the loan conversion. The Lenders also agreed to purchase an additional 170,424 new Series D preferred shares for €5,263,712 in connection with the first tranche in September 2012. Financing from the second tranche was conditioned on the results of certain safety data and a scientific advice meeting with a national authority. In June 2013 our shareholders waived the second tranche, conditioned on the completion of a Series E financing round (as defined in the convertible loan agreement) prior to, among other things, an initial public offering, and instead provided us a convertible loan of €5,100,000 at 2% interest per annum due on July 31, 2014.

Pursuant to the terms of the new convertible loan agreement, the principal amount of the loans and accrued interest thereon were to be converted into additional Series D preferred shares or into a future higher class series of preferred shares, if any, at a fixed price in the event that (i) a Series E financing round was completed prior to July 31, 2014 (or such later date as agreed between the Lenders and us), (ii) an initial public offering was completed prior to the closing of a Series E financing round, or (iii) if neither a Series E financing round nor an initial public offering had closed by July 31, 2014 (or such later date as agreed between the Lenders and us).

As a result of the Series E Financing Agreement (as defined below), the principal amount of the loans and accrued interest thereon were converted into new Series E preferred shares.

As a result of the conditional waiver of the second tranche, a total of 324,174 Series D preferred shares were created in the Series D Financing. All of our previously outstanding Series A, B and C preferred shares were converted into Series D preferred shares, resulting in a total of 1,929,578 Series D preferred shares. The holders of our Series D preferred shares are eligible to receive a 6% internal rate of return on their investment, which right we expect to be waived in connection with this offering. The following table sets forth the number of our Series D preferred shares purchased by our managing directors, supervisory directors and 5% shareholders and their affiliates:

NAME AND ADDRESS OF BENEFICIAL OWNER	SERIES D PREFERRED SHARES LOAN CONVERSION	SERIES D PREFERRED SHARES NEW INVESTMENT (FIRST TRANCHE)	SERIES D PREFERRED SHARES TOTAL
5% Shareholders			
Entities affiliated with Aeris Capital AG(1)	46,125	64,503	110,628
Entities affiliated with OrbiMed Advisors LLC(2)	51,245	56,717	107,962
Novo Nordisk A/S(3)	25,630	14,901	40,531
BioMedInvest I Ltd.(4)	15,375	17,017	32,392
Entities affiliated with Life Sciences Partners(5)	15,375	17,017	32,392
Others	0	269	269
Total	**153,750**	**170,424**	**324,174**

(1) Voting and investment power over the shares held by SGR Sagittarius Holding AG is exercised by the Board of Directors of SGR Sagittarius Holding AG, Dr. Martin Hess, Uwe R. Feuersenger and Sonja Frech. The address for SGR Sagittarius Holding AG is Brugglistrasse 2, 8852 Altendorf, Switzerland.

(2) Consists of 107,132 shares held by OrbiMed Private Investments III, LP ("OPI III") and 830 shares held by OrbiMed Associates III, LP ("Associates III"). OrbiMed Capital GP III LLC ("GP III") is the general partner of OPI III. OrbiMed Advisors LLC ("OrbiMed") is the managing member of GP III and the general partner of Associates III. Samuel D. Isaly is the managing member of and owner of a controlling interest in OrbiMed and may be deemed to have voting and investment power over the shares held by OPI III and Associates III noted above. Each of GP III, Advisors and Mr. Isaly disclaims beneficial ownership of such shares, except to the extent of its or his pecuniary interest therein, if any. The address for OPI III, Associates III, and OrbiMed is c/o OrbiMed Advisors LLC, 601 Lexington Avenue, 54th Floor, New York, NY 10022.

(3) Novo Nordisk A/S is a publicly-held entity whose B shares are listed on the NASDAQ OMX Copenhagen and whose ADRs are listed on the New York Stock Exchange. The address for Novo Nordisk A/S is Novo Allé, DK-2880 Bagsværd, Denmark.

(4) Voting and investment power over the shares held by BioMedInvest I Ltd. is exercised by Kevin Gilligan or Dr. Markus Hosang. The address for BioMedInvest I Ltd. is Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey GYI 2QE (registered with Guernsey Registry under the number 51788).

(5) Shares are held by LSP III Omni Investment Coöperatief UA (LSP III), a cooperative established under the laws of the Netherlands, with a statutory seat in Amsterdam. LSP III Management B.V. is the sole director of LSP III. The individual directors of LSP III Management B.V. are Martijn Kleijwegt, Rene Kuijten and Joachim Rothe. Martijn Kleijwegt, Rene Kuijten and Joachim Rothe disclaim beneficial ownership of all applicable shares except to the extent of their actual pecuniary interest therein. The principal business address of each of LSP III and LSP III Management B.V. is Johannes Vermeerplein 9, 1071 DV Amsterdam, the Netherlands.

2014 Series E Preferred Share Financing

On June 24, 2014, we entered into an investment agreement (the Series E Financing Agreement) with the Lenders pursuant to which we agreed to issue and sell Series E preferred shares in exchange for an aggregate contribution of €11,702,072, which includes the contribution of the existing €5,100,000 convertible loan and interest thereon (the Series E Financing). The Series E Financing is divided into two tranches.

In the first tranche, the Lenders agreed to contribute the principal amount of the existing €5,100,000 convertible loan and interest thereon and invest an additional €3,000,000 in cash. Upon signing the Series E Financing Agreement, the Lenders contributed to us €2,913,833 in cash. As a second step of the first

tranche, the Lenders subscribed for 86,167 Series E preferred shares on July 14, 2014. In conjunction with this subscription, the Lenders contributed to us €86,167 in cash, which is the nominal amount of the shares issued in consideration of the contribution of the convertible loan and interest thereon and the shares to be purchased with the new funds. We issued to the Lenders 86,167 Series E preferred shares, and the Lenders contributed to us the convertible loan and interest thereon. The price per Series E preferred share in the first tranche was approximately €95.19 per share, subject to adjustment as described below.

Pursuant to the Series E Financing Agreement, new investors (together with the Lenders, the Investors) who are approved by holders of 70% of the Series E preferred shares and Series D preferred shares held by the Lenders voting together as a single class may be invited to subscribe for additional Series E preferred shares. The price per each such Series E preferred share in the first tranche would be approximately €95.19, subject to adjustment as described below. Any such new investor's investment would be split 70.09% and 29.91% between the first and second tranches, respectively.

In the second tranche, the Lenders agreed to make an additional investment in the amount of €3,500,000 between the pricing and the closing of our initial public offering, if our initial public offering closes on or before October 31, 2014, or on November 1, 2014 if our initial public offering has not closed on or before October 31, 2014. Any new investors would also participate in the second tranche on the same terms as the Lenders. We anticipate that (a) there will be no new Series E investors and (b) the Lenders will waive the second tranche of the Series E Financing prior to the commencement of this offering.

In the event that our initial public offering closes on or before October 31, 2014, the price per Series E preferred share issued in the first tranche will be adjusted to be 80% of the low end of the range on the front cover of this prospectus. In the event that our initial public offering has not priced or closed on or before October 31, 2014, the price per Series E preferred share issued in the first tranche will be adjusted to be approximately €30.89. The table below sets forth the number of Series E Preferred Shares issued to each investor including pursuant to the Series E purchase price adjustment, based on the price range shown on the front cover of this prospectus and assuming that the offering price is the mid-point of the price range on the front cover of this prospectus in each case on an as-converted basis. See "Corporate Reorganization."

NAME AND ADDRESS OF BENEFICIAL OWNER	SERIES E PREFERRED SHARES LOAN CONVERSION	SERIES E PREFERRED SHARES NEW INVESTMENT	SERIES E PREFERRED SHARES TOTAL
5% Shareholders			
Entities affiliated with Aeris Capital AG(1)			
Entities affiliated with OrbiMed Advisors LLC(2)			
Novo Nordisk A/S(3)			
BioMedInvest I Ltd.(4)			
Entities affiliated with Life Sciences Partners(5)			
Total			

(1) Voting and investment power over the shares held by SGR Sagittarius Holding AG is exercised by the Board of Directors of SGR Sagittarius Holding AG, Dr. Martin Hess, Uwe R. Feuersenger and Sonja Frech. The address for SGR Sagittarius Holding AG is Brugglistrasse 2, 8852 Altendorf, Switzerland.

(2) Consists of, in the order from left to right of the columns above, , and shares, respectively, held by OrbiMed Private Investments III, LP ("OPI III") and, in the order from left to right of the columns above, , and shares, respectively, held by OrbiMed Associates III, LP ("Associates III"). OrbiMed Capital GP III LLC ("GP III") is the general partner of OPI III. OrbiMed Advisors LLC ("OrbiMed") is the managing member of GP III and the general partner of Associates III. Samuel D. Isaly is the managing member of and owner of a controlling interest in OrbiMed and may be deemed to have voting and investment power over the shares held by OPI III and Associates III noted above. Each of GP III, Advisors and Mr. Isaly disclaims beneficial ownership of such shares, except to the extent of its or his pecuniary interest therein, if any. The address for OPI III, Associates III, and OrbiMed is c/o OrbiMed Advisors LLC, 601 Lexington Avenue, 54th Floor, New York, NY 10022.

(3) Novo Nordisk A/S is a publicly-held entity whose B shares are listed on the NASDAQ OMX Copenhagen and whose ADRs are listed on the New York Stock Exchange. The address for Novo Nordisk A/S is Novo Allé, DK-2880 Bagsværd, Denmark.
(4) Voting and investment power over the shares held by BioMedInvest I Ltd. is exercised by Kevin Gilligan or Dr. Markus Hosang. The address for BioMedInvest I Ltd. is Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey GYI 2QE (registered with Guernsey Registry under the number 51788).
(5) Shares are held by LSP III Omni Investment Coöperatief UA (LSP III), a cooperative established under the laws of the Netherlands, with a statutory seat in Amsterdam. LSP III Management B.V. is the sole director of LSP III. The individual directors of LSP III Management B.V. are Martijn Kleijwegt, Rene Kuijten and Joachim Rothe. Martijn Kleijwegt, Rene Kuijten and Joachim Rothe disclaim beneficial ownership of all applicable shares except to the extent of their actual pecuniary interest therein. The principal business address of each of LSP III and LSP III Management B.V. is Johannes Vermeerplein 9, 1071 DV Amsterdam, the Netherlands.

Agreements with Managing Directors and Supervisory Directors

We have a consulting agreement with BioPharma Consulting Services LLC (BioPharma), whose principal is our supervisory director Richard B. Stead, pursuant to which BioPharma advises us on a variety of clinical and regulatory matters. BioPharma's remuneration under the agreement consists of a monthly fee and travel and incidental expenses. In addition, in the event that a strategic investor purchases a majority stake in the Company, BioPharma is entitled to receive a cash fee equal to a sub-single digit percentage of the consideration paid to the Company in the sale transaction, and we are obligated to pay BioPharma this fee even if the consulting agreement has been terminated before the sale of a majority stake in the Company, so long as such sale takes place before the end of 2019.

We also have a consulting agreement with Hecht Healthcare Consulting (HHC), whose managing director is our supervisory director Thomas Hecht, pursuant to which HHC advises us on a variety of business development, corporate strategy and marketing matters. HHC's remuneration under the agreement consists of an annual fee and travel and incidental expenses. In addition, in the event that a strategic investor purchases a majority stake in the Company, HHC is entitled to receive a cash fee equal to a sub-single digit percentage of the consideration paid to the Company in the sale transaction, and we are obligated to pay HHC this fee even if the consulting agreement has been terminated before the sale of a majority stake in the Company, so long as such sale takes place before the end of 2019.

Dr. Florian Fischer is founder and Chief Executive Officer of MedVenture Partners. MedVenture Partners renders services to us in the form of Florian Fischer's services as our Chief Financial Officer. In addition, and to a lesser extent, other MedVenture Partners personnel also provide services to us.

For a description of our agreements with our managing directors and supervisory directors, please see "Management—Managing Director and Supervisory Director Service Contracts."

Agreements with Amphivena

In 2013, we entered into a license and development agreement, which amended and restated a 2012 license agreement, with Amphivena Therapeutics, Inc., or Amphivena, based in San Francisco, to develop an undisclosed product candidate for hematologic malignancies in exchange for an interest in Amphivena and certain milestone payments. We have also assigned and licensed certain technology to Amphivena and provided it with funding. Please see "Business—Collaborations."

Aeris Capital Bridge Loan

In 2013, we made an advance in the form of a short-term bridge loan of €254,000 to Aeris Capital AG in connection with the closing of the Amphivena investment in 2013. Aeris Capital AG repaid the bridge loan and interest of approximately €1,000 later in 2013.

Shareholders' Agreement

We and all of our then-existing shareholders entered into a shareholders agreement on March 3, 2007, and amended it on April 8, 2010, September 24, 2012 and June 23, 2014 (as amended, the Shareholders'

Agreement). Prior to the closing of this offering, we expect to amend the Shareholders' Agreement in order to effectuate the corporate reorganization, and upon completion of this offering, the Shareholders' Agreement will terminate.

Registration Rights Agreement

Effective upon consummation of this offering, we intend to enter into a registration rights agreement with certain of our existing shareholders pursuant to which we will grant them customary registration rights for the resale of the common shares held by certain of our existing shareholders.

Indemnification Agreements

We intend to enter into indemnification agreements with our managing directors and supervisory directors. The indemnification agreements and our Articles of Association require us to indemnify our managing directors and supervisory directors to the fullest extent permitted by law. See "Management—Insurance and Indemnification" for a description of these indemnification agreements.

DESCRIPTION OF SHARE CAPITAL AND ARTICLES OF ASSOCIATION

General

We were incorporated pursuant to the laws of the Netherlands as Affimed Therapeutics B.V. in May 2014 to become a holding company for Affimed Therapeutics AG prior to consummation of this offering. Affimed Therapeutics AG was founded in 2000 as a spin-off from Deutsches Krebsforschungszentrum, the German Cancer Research Centre, or the DKFZ, by Professor Melvyn Little in Heidelberg, Germany. Pursuant to the terms of a corporate reorganization that will be completed prior to the consummation of this offering, all of the interests in Affimed Therapeutics AG will ultimately be exchanged for newly issued common shares of Affimed Therapeutics B.V. and, as a result, Affimed Therapeutics AG will become a wholly owned subsidiary of Affimed Therapeutics B.V. See “Corporate Reorganization.” Prior to consummation of this offering, we intend to convert into a public company with limited liability (*naamloze vennootschap*) pursuant to a Deed of Amendment and Conversion, and our legal name will be Affimed N.V.

We are registered with the Trade Register of the Chamber of Commerce (*handelsregister van de Kamer van Koophandel*) under number 60673389 0000. Our corporate seat is in Amsterdam, the Netherlands, and our registered office is in Heidelberg, Germany.

As of the completion of (i) the first tranche of the Series E Financing, (ii) the borrowing of $5.5 million under the Perceptive credit facility and the issuance of warrants to Perceptive following the closing of this offering in connection with such borrowing, (iii) the corporate reorganization and (iv) this offering (in each case, assuming an initial public offering price of $ per share, the midpoint of the range set forth on the cover page of this prospectus) our authorized share capital will be € , divided into common shares, each with a nominal value of €0.01 and cumulative preferred shares, each with a nominal value of €0.01, and our issued share capital will be € . See “Corporate Reorganization.”

We have adopted an anti-takeover measure pursuant to which our management board may, subject to supervisory board approval but without shareholder approval, issue (or grant the right to acquire) cumulative preferred shares. We may issue an amount of cumulative preferred shares up to 100% of our issued capital immediately prior to the issuance of such preferred shares. In such event, the cumulative preferred shares will be issued to a separate, newly established foundation, which will be structured to operate independently of us. If the management board determines to issue the cumulative preferred shares to such a foundation, the foundation’s articles of association will provide that it will act to serve the best interests of us, our associated business and all parties connected to us, by opposing any influences that conflict with these interests and threaten to undermine our continuity, independence and identity.

The cumulative preferred shares will be issued to the foundation for their nominal value, of which only 25% will be due upon issuance. In accordance with Dutch law, the voting rights of our shares are based on their nominal value and as we expect our common shares to trade substantially in excess of nominal value, cumulative preferred shares issued at nominal value can obtain significant voting power for a substantially reduced price and thus be used as a defensive measure. These cumulative preferred shares will have both a liquidation and dividend preference over our common shares and will accrue cash dividends at a fixed rate.

The management board may issue these cumulative preferred shares to protect us from influences that do not serve our best interests and threaten to undermine our continuity, independence and identity. These influences may include a third-party acquiring a significant percentage of our common shares, the announcement of a public offer for our common shares, other concentration of control over our common shares or any other form of pressure on us to alter our strategic policies.

Under Dutch law, our authorized share capital is the maximum capital that we may issue without amending our Articles of Association. An amendment of our Articles of Association would require a resolution of the general meeting of shareholders upon proposal by the management board with the prior approval of the supervisory board.

Initial settlement of the common shares issued in this offering will take place on the consummation date of this offering through The Depository Trust Company, or DTC, in accordance with its customary settlement procedures for equity securities. Each person owning common shares held through DTC must rely on the procedures thereof and on institutions that have accounts therewith to exercise any rights of a holder of the common shares.

Following our corporate reorganization and prior to the consummation of this offering, our shareholders will approve certain amendments to our Articles of Association which will become effective prior to the consummation of this offering. The following description assumes that such amendments have become effective.

Articles of Association and Dutch Law

Our Articles of Association as in force at the date of this prospectus are referred to herein as our "Current Articles." When we refer to our Articles of Association in this prospectus, we refer to our Articles of Association as they will be in force after the expected completion of our corporate reorganization that will be completed prior to the consummation of this offering.

Our Current Articles are included in our deed of incorporation, executed on May 14, 2014. We shall amend our Current Articles and convert our company from a Dutch private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) into a Dutch public company with limited liability (*naamloze vennootschap*) as part of our corporate reorganization that will be completed prior to the consummation of this offering. At a general meeting to be held prior to the consummation of this offering, we expect the general meeting of shareholders to resolve to amend the Current Articles and to convert into a Dutch public company with limited liability. The draft Deed of Conversion and Amendment has been made available to the shareholders and remains available for inspection by interested parties at our offices in Heidelberg, Germany up to and including the consummation of this offering.

Under the Current Articles, the general meeting of shareholders, at the proposal of the management board or the sole shareholder, may resolve to amend the Current Articles. A resolution taken by the general meeting of shareholders to amend the Current Articles requires a simple majority of the votes cast.

Set forth below is a summary of relevant information concerning our share capital and material provisions of our Articles of Association and applicable Dutch law. This summary does not constitute legal advice regarding those matters and should not be regarded as such.

Company's Shareholders' Register

Subject to Dutch law and the Articles of Association, we must keep our shareholders' register accurate and up-to-date. The management board keeps our shareholders' register and records names and addresses of all holders of shares, showing the date on which the shares were acquired, the date of the acknowledgement by or notification of us as well as the amount paid on each share. The register also includes the names and addresses of those with a right of use and enjoyment (*vruchtgebruik*) in shares belonging to another or a pledge in respect of such shares. There is no restriction on the ownership of our shares. The common shares offered in this offering will be held through DTC, therefore DTC or its nominee will be recorded in the shareholders' register as the holder of the common shares.

Corporate Objectives

Pursuant to the Articles of Association, our corporate objectives are:

- the research, development, manufacture and commercialization of products for the detection, prevention and treatment of human and non-human diseases and conditions and to provide services therewith;

- to incorporate, participate in, conduct the management of and take any other financial interest in other companies and enterprises;
- to render administrative, technical, financial, economic or managerial services to other companies, persons or enterprises;
- to acquire, dispose of manage and exploit real and personal property, including patents, marks, licenses, permits and other intellectual property rights;
- to borrow and/or lend moneys, act as surety or guarantor in any other manner, and bind itself jointly and severally or otherwise in addition to or on behalf of others; and
- the foregoing, whether or not in collaboration with third parties, and inclusive of the performance and promotion of all activities which directly and indirectly relate to those objects, all this in the broadest sense.

Limitation on Liability and Indemnification Matters

Under Dutch law, managing directors and supervisory directors and certain other officers may be held liable for damages in the event of improper or negligent performance of their duties. They may be held jointly and severally liable for damages to the Company and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Our Articles of Association provide for indemnification of our current and former managing directors and supervisory directors. Managing directors and supervisory directors and certain other officers are also insured under an insurance policy taken out by us against damages resulting from their conduct when acting in the capacities as such directors or officers.

Shareholders' Meetings and Consents

General Meeting

General meetings of shareholders may be held in Amsterdam, Rotterdam, The Hague, Arnhem, Utrecht or the municipality of Haarlemmermeer (Schiphol Airport), the Netherlands. The annual general meeting of shareholders must be held within six months of the end of each financial year. Additional extraordinary general meetings of shareholders may also be held, whenever considered appropriate by the management board or the supervisory board. Pursuant to Dutch law, one or more shareholders, who jointly represent at least one-tenth of the issued capital may, on their application, be authorized by a Dutch district court to convene a general meeting of shareholders. The district court shall disallow the application if it does not appear that the applicants have previously requested the management board and the supervisory board to convene a general meeting of shareholders and neither the management nor the supervisory board has taken the necessary steps so that the general meeting of shareholders could be held within six weeks after the request.

General meetings of shareholders can be convened by a notice, which shall include an agenda stating the items to be discussed, including for the annual general meeting of shareholders, among other things, the adoption of the annual accounts, appropriation of our profits and proposals relating to the composition of the management board or supervisory board, including the filling of any vacancies in the management board or supervisory board. In addition, the agenda shall include such items as have been included therein by the management board or supervisory board. The agenda shall also include such items requested by one or more shareholders, and others entitled to attend general meetings of shareholders, representing at least 3% of the issued share capital. Requests must be made in writing and received by the management board at least 60 days before the day of the convocation of the meeting. No resolutions shall be adopted on items other than those which have been included in the agenda. In accordance with the Dutch Corporate Governance Code, or DCGC, a shareholder shall exercise the right of putting an item on the agenda only after consulting the management board in that respect. If one or more shareholders intend to request that an item be put on the agenda that may result in a change in the company's strategy, the management board may invoke a response time of a maximum of 180 days until the day of the general meeting of shareholders.

The general meeting is presided over by the chairman of the supervisory board. However, the chairman may charge another person to preside over the general meeting in his place even if he himself is present at the meeting. If the chairman of the supervisory board is absent and he has not charged another person to preside over the meeting in his place, the supervisory directors present at the meeting shall appoint one of them to be chairman. If no supervisory directors are present at the general meeting, the general meeting is to be presided over by one of the managing directors designated for that purpose by the management board. Managing directors and supervisory directors may attend a general meeting of shareholders. In these meetings, they have an advisory vote. The chairman of the meeting may decide at its discretion to admit other persons to the meeting.

All shareholders and others entitled to attend general meetings of shareholders are authorized to attend the general meeting of shareholders, to address the meeting and, in so far as they have such right, to vote.

Quorum and Voting Requirements

Each common share confers the right on the holder to cast one vote at the general meeting of shareholders. Shareholders may vote by proxy. No votes may be cast at a general meeting of shareholders on shares held by us or our subsidiaries or on shares for which we or our subsidiaries hold depositary receipts. Nonetheless, the holders of a right of use and enjoyment (*vruchtgebruik*) and the holders of a right of pledge in respect of shares held by us or our subsidiaries in our share capital are not excluded from the right to vote on such shares, if the right of use and enjoyment (*vruchtgebruik*) or the right of pledge was granted prior to the time such shares were acquired by us or any of our subsidiaries. Neither we nor any of our subsidiaries may cast votes in respect of a share on which we or such subsidiary holds a right of use and enjoyment (*vruchtgebruik*) or a right of pledge. Shares which are not entitled to voting rights pursuant to the preceding sentences will not be taken into account for the purpose of determining the number of shareholders that vote and that are present or represented, or the amount of the share capital that is provided or that is represented at a general meeting of shareholders.

Decisions of the general meeting of shareholders are taken by an absolute majority of votes cast, except where Dutch law or the Articles of Association provide for a qualified majority or unanimity.

Directors

Election of Directors

Under our Articles of Association, our managing directors and supervisory directors are appointed by the general meeting of shareholders upon a binding nomination by our supervisory board. The general meeting of shareholders may overrule the binding nomination by a resolution adopted with a two-thirds majority of the votes cast representing at least half of the issued share capital. If the general meeting of shareholders overrules the binding nomination, the supervisory board shall make a new binding nomination.

Duties and Liabilities of Directors

Under Dutch law, the management board is responsible for our management, strategy, policy and operations. The supervisory board is responsible for supervising the conduct of and providing advice to the management board and for supervising our business generally. Furthermore, each member of the management board and the supervisory board has a duty to act in the corporate interest of the company. Under Dutch law, the corporate interest extends to the interests of all corporate stakeholders, such as shareholders, creditors, employees, customers and suppliers. The duty to act in the corporate interest of the company also applies in the event of a proposed sale or break-up of the company, whereby the circumstances generally dictate how such duty is to be applied. Any resolution of the management board regarding a significant change in our identity or character requires shareholder approval.

Dividends and Other Distributions

Amount Available for Distribution

We may only make distributions to our shareholders if our shareholders' equity exceeds the sum of the paid-in and called-up share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association. Under the Articles of Association, if any of the cumulative preferred shares are outstanding, a dividend is first paid out of the profit, if available for distribution, on the cumulative preferred shares. Any amount remaining out of the profit is carried to reserve as the management board determines, subject to the approval of the supervisory board. After reservation by the management board of any profit, the remaining profit will be at the disposal of the general meeting of shareholders.

We only make a distribution of dividends to our shareholders after the adoption of our annual accounts demonstrating that such distribution is legally permitted. The management board is permitted, subject to certain requirements and subject to approval of the supervisory board, to declare interim dividends without the approval of the general meeting of shareholders.

Dividends and other distributions shall be made payable not later than the date determined by the management board. Claims to dividends and other distributions not made within five years from the date that such dividends or distributions became payable, will lapse and any such amounts will be considered to have been forfeited to us (*verjaring*).

We do not anticipate paying any cash dividends for the foreseeable future.

Exchange Controls

Under existing laws of the Netherlands, there are no exchange controls applicable to the transfer to persons outside of the Netherlands of dividends or other distributions with respect to, or of the proceeds from the sale of, shares of a Dutch company.

Squeeze out Procedures

Pursuant to Section 92a, Book 2, Dutch Civil Code, a shareholder who for his own account holds at least 95% of our issued share capital may initiate proceedings against the other shareholders jointly for the transfer of their shares to such shareholder. The proceedings are held before the Enterprise Chamber of the Amsterdam Court of Appeal, or the Enterprise Chamber, and can be instituted by means of a writ of summons served upon each of the other shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze out in relation to the other shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the other shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to the acquiring person, such person is required to publish the same in a daily newspaper with a national circulation.

Obligation to Disclose Holdings and Transactions

Pursuant to the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*, or the FMSA), any member of our management board and our supervisory board and any other person who has managerial or co-managerial responsibilities in respect of us or who has the authority to make decisions affecting our future developments and business prospects and who may have regular access to inside information relating, directly or indirectly, to us, must give written notice to the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten, or AFM) by means of a standard form of any transactions conducted for his own account relating to our shares or in financial instruments the value of which is also based on the value of our shares.

Furthermore, in accordance with the FMSA and the regulations promulgated thereunder, certain persons who are closely associated with our managing directors and supervisory directors or any of the other persons as described above, are required to notify the AFM of any transactions conducted for their own account relating to our shares or in financial instruments the value of which is also based on the value of our shares. The FMSA and the regulations promulgated thereunder cover the following categories of persons: (1) the spouse or any partner considered by national law as equivalent to the spouse, (2) dependent children, (3) other relatives who have shared the same household for at least one year at the relevant transaction date, and (4) any legal person, trust or partnership whose managerial responsibilities, among other things, are discharged by a person referred to under (1), (2) or (3) above or by the relevant member of our supervisory board or other person with any authority in respect of us as described above.

The AFM must be notified no later than the fifth business day following the relevant transaction date. Under certain circumstances, notification may be postponed until the date the value of the transactions performed for that person's own account, together with transactions carried out by the persons closely associated with that person, amounts to €5,000 or more in the calendar year in question.

Non-compliance with the notification obligations under the FMSA could lead to criminal fines, administrative fines, imprisonment or other sanctions. In addition, non-compliance with some of the notification obligations under the FMSA may lead to civil sanctions, including suspension of the voting rights relating to our shares held by the offender for a period of not more than three years and a prohibition to own shares or voting rights on our shares for a period of not more than five years.

The AFM does not issue separate public announcements of notifications received by it. It does, however, keep a public register of all notifications under the FMSA on its website, *http://www.afm.nl*. Third parties can request to be notified automatically by e-mail of changes to the public register in relation to a particular company's shares or a particular notifying party.

The FMSA contains rules intended to prevent market abuse, such as insider trading, tipping and market manipulation.

Pursuant to the rules intended to prevent market abuse, prior to the consummation of this offering we intend to adopt an internal code on inside information in respect of the holding of and carrying out of transactions by our managing directors and supervisory directors and employees in our shares or in financial instruments the value of which is determined by the value of our shares. Furthermore, we have drawn up a list of those persons working for us who could have access to inside information on a regular or incidental basis and have informed such persons of the rules on insider trading and market manipulation, including the sanctions which can be imposed in the event of a violation of those rules.

Comparison of Dutch Corporate Law and our Articles of Association and U.S. Corporate Law

The following comparison between Dutch corporation law, which applies to us, and Delaware corporation law, the law under which many publicly listed corporations in the United States are incorporated, discusses additional matters not otherwise described in this prospectus. Although we believe this summary is materially accurate, the summary is subject to Dutch law, including Book 2 of the Dutch Civil Code and the DCGC and Delaware corporation law, including the Delaware General Corporation Law.

Corporate Governance

Duties of directors

The Netherlands. We have a two-tier board structure consisting of our management board (*raad van bestuur*) and a separate supervisory board (*raad van commissarissen*).

Under Dutch law, the management board is collectively responsible for the management and the strategy, policy and operations of the company. The supervisory board is responsible for supervising the conduct of and

providing advice to the management board and for supervising the business generally. Furthermore, each member of the management board and the supervisory board has a duty to act in the corporate interest of the company and the business connected with it. Under Dutch law, the corporate interest extends to the interests of all corporate stakeholders, such as shareholders, creditors, employees, customers and suppliers. The duty to act in the corporate interest of the company also applies in the event of a proposed sale or break-up of the company, whereby the circumstances generally dictate how such duty is to be applied.

Delaware. The board of directors bears the ultimate responsibility for managing the business and affairs of a corporation. In discharging this function, directors of a Delaware corporation owe fiduciary duties of care and loyalty to the corporation and to its stockholders. Delaware courts have decided that the directors of a Delaware corporation are required to exercise informed business judgment in the performance of their duties. Informed business judgment means that the directors have informed themselves of all material information reasonably available to them. Delaware courts have also imposed a heightened standard of conduct upon directors of a Delaware corporation who take any action designed to defeat a threatened change in control of the corporation. In addition, under Delaware law, when the board of directors of a Delaware corporation approves the sale or break-up of a corporation, the board of directors may, in certain circumstances, have a duty to obtain the highest value reasonably available to the stockholders.

Director terms

The Netherlands. Under Dutch law, managing directors and supervisory directors of a listed company are generally appointed for an individual term of a maximum of four years. There is no limit to the number of consecutive terms managing directors may serve. For supervisory directors, a limit of twelve years generally applies. Our managing directors are appointed by the general meeting of shareholders for an indefinite period of time. Our supervisory directors are also appointed by the general meeting of shareholders for a term of up to four years. A supervisory director may be reappointed for a term of up to four years at a time. A supervisory director may be a supervisory director for a period not longer than twelve years, which period may or may not be interrupted, unless the general meeting of shareholders resolves otherwise.

The supervisory board has drawn up a resignation schedule for the supervisory directors.

The general meeting of shareholders shall at all times be entitled to suspend or dismiss a member of the management board or supervisory board. The general meeting of shareholders may only adopt a resolution to suspend or dismiss such a member with a two thirds majority of the votes cast, if such majority represents more than half of the issued share capital, unless the proposal was made by the supervisory board, in which case a simple majority is sufficient. The supervisory board may at all times suspend (but not dismiss) a member of the management board.

Delaware. The Delaware General Corporation Law generally provides for a one-year term for directors, but permits directorships to be divided into up to three classes with up to three-year terms, with the years for each class expiring in different years, if permitted by the certificate of incorporation, an initial bylaw or a bylaw adopted by the stockholders. A director elected to serve a term on a “classified” board may not be removed by stockholders without cause. There is no limit in the number of terms a director may serve.

Director vacancies

The Netherlands. Under Dutch law, new managing directors and supervisory directors are appointed by the general meeting of shareholders. Under our Articles of Association, our managing directors and supervisory directors are appointed by the general meeting of shareholders upon the binding nomination by our supervisory board. However, the general meeting of shareholders may at all times overrule the binding nomination with a two thirds majority of the votes cast, if such majority represents more than half of the issued share capital. If the general meeting of shareholders overrules the binding nomination, the supervisory board shall make a new binding nomination.

Delaware. The Delaware General Corporation Law provides that vacancies and newly created directorships may be filled by a majority of the directors then in office (even though less than a quorum) unless (i) otherwise provided in the certificate of incorporation or bylaws of the corporation or (ii) the certificate of incorporation directs that a particular class of stock is to elect such director, in which case any other directors elected by such class, or a sole remaining director elected by such class, will fill such vacancy.

Conflict-of-interest transactions

The Netherlands. Managing directors and supervisory directors shall not take part in any discussion or decision-making that involves a subject or transaction in relation to which he or she has a personal conflict of interest with the company or the business connected with it. Our Articles of Association provide that if as a result thereof no resolution of the management board can be adopted, the resolution is adopted by the supervisory board. If as a result of the conflict of interest of supervisory directors no resolution of the supervisory board can be adopted, the resolution can nonetheless be adopted by the supervisory board. In that case, each supervisory board member is entitled to participate in the discussion and decision making process of the supervisory board and to cast a vote.

Delaware. The Delaware General Corporation Law generally permits transactions involving a Delaware corporation and an interested director of that corporation if:

- the material facts as to the director's relationship or interest are disclosed and a majority of disinterested directors consent;
- the material facts are disclosed as to the director's relationship or interest and a majority of shares entitled to vote thereon consent; or
- the transaction is fair to the corporation at the time it is authorized by the board of directors, a committee of the board of directors or the stockholders.

Proxy voting by directors

The Netherlands. An absent member of the management board may issue a proxy for a specific management board meeting but only to another management board member in writing. An absent member of the supervisory board may issue a proxy for a specific supervisory board meeting but only to another supervisory board member in writing.

Delaware. A director of a Delaware corporation may not issue a proxy representing the director's voting rights as a director.

Dutch Corporate Governance Code

The DCGC contains both principles and best practice provisions for management boards, supervisory boards, shareholders and general meetings of shareholders, financial reporting, auditors, disclosure, compliance and enforcement standards. A copy of the DCGC can be found on *www.corpgov.nl*. As a Dutch company, we are subject to the DCGC and are required to disclose in our annual report, filed in the Netherlands, whether we comply with the provisions of the DCGC. If we do not comply with the provisions of the DCGC (for example, because of a conflicting Nasdaq requirement or otherwise), we must list the reasons for any deviation from the DCGC in our annual report. Our most substantial deviations from the DCGC are summarized below.

Remuneration

- We have granted and intend to grant options and restricted stock units in the future to members of our supervisory board, which qualifies as a deviation from best practice provision III.7.1 of the DCGC.

Board nominations and shareholder voting

- Pursuant to our articles of association, the supervisory board will nominate one or more candidates for each vacant seat on the management board or the supervisory board. A resolution of our general

meeting of shareholders to appoint a member of the management board or the supervisory board other than pursuant to a nomination by our supervisory board requires at least two-thirds of the votes cast representing more than half of our issued share capital, which qualifies as a deviation from best practice provision IV.1.1 of the DCGC.

Independence

- More than one of our current members of the supervisory board are not deemed independent based on the standards set out in the DCGC, which qualifies as a deviation from best practice provisions III.2.1 and III.2.2 of the DCGC.

Shareholder rights

Voting rights

The Netherlands. In accordance with Dutch law and our Articles of Association, each issued common share and each issued cumulative preferred share confers the right to cast one vote at the general meeting of shareholders. Each holder of shares may cast as many votes as it holds shares. Shares that are held by us or our direct or indirect subsidiaries do not confer the right to vote.

In accordance with our Articles of Association, for each general meeting of shareholders, the management board may determine that a record date will be applied in order to establish which shareholders are entitled to attend and vote at the general meeting of shareholders. Such record date shall be the 28th day prior to the day of the general meeting. The record date and the manner in which shareholders can register and exercise their rights will be set out in the notice of the meeting.

Delaware. Under the Delaware General Corporation Law, each stockholder is entitled to one vote per share of stock, unless the certificate of incorporation provides otherwise. In addition, the certificate of incorporation may provide for cumulative voting at all elections of directors of the corporation, or at elections held under specified circumstances. Either the certificate of incorporation or the bylaws may specify the number of shares and/or the amount of other securities that must be represented at a meeting in order to constitute a quorum, but in no event will a quorum consist of less than one third of the shares entitled to vote at a meeting.

Stockholders as of the record date for the meeting are entitled to vote at the meeting, and the board of directors may fix a record date that is no more than 60 nor less than 10 days before the date of the meeting, and if no record date is set then the record date is the close of business on the day next preceding the day on which notice is given, or if notice is waived then the record date is the close of business on the day next preceding the day on which the meeting is held. The determination of the stockholders of record entitled to notice or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, but the board of directors may fix a new record date for the adjourned meeting.

Shareholder proposals

The Netherlands. Pursuant to our Articles of Association, extraordinary general meetings of shareholders will be held whenever our supervisory board or management board deems such to be necessary. Pursuant to Dutch law, one or more shareholders representing at least one-tenth of the issued capital may, on their application, be authorized by a Dutch district court to convene a general meeting of shareholders. The district court shall disallow the application if it does not appear that the applicants have previously requested the management board and the supervisory board to convene a general meeting of shareholders and neither the management nor the supervisory board has taken the necessary steps so that the general meeting of shareholders could be held within six weeks after the request.

Also, the agenda for a general meeting of shareholders shall include such items requested by one or more shareholders, and others entitled to attend general meetings of shareholders, representing at least 3% of the issued share capital, except where the articles of association state a lower percentage. Our Articles of Association do not state such lower percentage. Requests must be made in writing and received by the

management board at least 60 days before the day of the convocation of the meeting. In accordance with the DCGC, a shareholder shall exercise the right of putting an item on the agenda only after consulting the management board in that respect. If one or more shareholders intend to request that an item be put on the agenda that may result in a change in the company's strategy, the management board may invoke a response time of a maximum of 180 days until the day of the general meeting of shareholders.

Delaware. Delaware law does not specifically grant stockholders the right to bring business before an annual or special meeting. However, if a Delaware corporation is subject to the SEC's proxy rules, a stockholder who owns at least $2,000 in market value, or 1% of the corporation's securities entitled to vote, and has owned such securities for at least one year, may propose a matter for a vote at an annual or special meeting in accordance with those rules.

Action by written consent

The Netherlands. Under Dutch law, shareholders' resolutions may be adopted in writing without holding a meeting of shareholders, provided that (i) the articles of association allow such action by written consent, (ii) all shareholders agree on this practice for decision making and (iii) the resolution is adopted unanimously by all shareholders that are entitled to vote. The requirement of unanimity renders the adoption of shareholder resolutions without holding a meeting not feasible for publicly traded companies. Therefore, our Articles of Association do not provide for shareholder action by written consent.

Delaware. Although permitted by Delaware law, publicly listed companies do not typically permit stockholders of a corporation to take action by written consent.

Appraisal rights

The Netherlands. The concept of appraisal rights is not known as such under Dutch law.

However, in accordance with the directive 2005/56/EC of the European Parliament and the Council of 26 October 2005 on cross-border mergers of limited liability companies, Dutch law provides that, to the extent that the acquiring company in a cross-border merger is organized under the laws of another EU member state, a shareholder of a Dutch disappearing company who has voted against the cross-border merger may file a claim with the Dutch company for compensation. Such compensation is to be determined by one or more independent experts. The shares of such shareholder that are subject to such claim will cease to exist as of the moment of effectiveness of the cross-border merger. Payment by the acquiring company is only possible if the resolution to approve the cross-border merger by the corporate body of the other company or companies involved in the cross-border merger includes the acceptance of the rights of the shareholders of the Dutch company to oppose the cross-border merger.

Delaware. The Delaware General Corporation Law provides for stockholder appraisal rights, or the right to demand payment in cash of the judicially determined fair value of the stockholder's shares, in connection with certain mergers and consolidations.

Shareholder suits

The Netherlands. In the event a third party is liable to a Dutch company, only the company itself can bring a civil action against that party. The individual shareholders do not have the right to bring an action on behalf of the company. Only in the event that the cause for the liability of a third party to the company also constitutes a tortious act directly against a shareholder does that shareholder have an individual right of action against such third party in its own name. The Dutch Civil Code provides for the possibility to initiate such actions collectively. A foundation or an association whose objective is to protect the rights of a group of persons having similar interests can institute a collective action. The collective action itself cannot result in an order for payment of monetary damages but may only result in a declaratory judgment (*verklaring voor recht*). In order to obtain compensation for damages, the foundation or association and the defendant may reach—often on the basis of such declaratory judgment—a settlement. A Dutch court may declare the

settlement agreement binding upon all the injured parties with an opt-out choice for an individual injured party. An individual injured party may also itself —outside the collective action—institute a civil claim for damages.

Delaware. Under the Delaware General Corporation Law, a stockholder may bring a derivative action on behalf of the corporation to enforce the rights of the corporation. An individual also may commence a class action suit on behalf of himself and other similarly situated stockholders where the requirements for maintaining a class action under Delaware law have been met. A person may institute and maintain such a suit only if that person was a stockholder at the time of the transaction which is the subject of the suit. In addition, under Delaware case law, the plaintiff normally must be a stockholder at the time of the transaction that is the subject of the suit and throughout the duration of the derivative suit. Delaware law also requires that the derivative plaintiff make a demand on the directors of the corporation to assert the corporate claim before the suit may be prosecuted by the derivative plaintiff in court, unless such a demand would be futile.

Repurchase of shares

The Netherlands. Under Dutch law, when issuing shares, a public company with limited liability such as ours may not subscribe for newly issued shares in its own capital. Such company may, however, subject to certain restrictions of Dutch law and its articles of association, acquire shares in its own capital. A listed public company with limited liability may acquire fully paid shares in its own capital at any time for no valuable consideration. Furthermore, subject to certain provisions of Dutch law and its articles of association, such company may repurchase fully paid shares in its own capital if (i) the company's shareholders' equity less the payment required to make the acquisition does not fall below the sum of paid-up and called-up capital and any reserves required by Dutch law or its articles of association and (ii) the company and its subsidiaries would not thereafter hold shares or hold a pledge over shares with an aggregate par value exceeding 50% of its then current issued share capital. Such company may only acquire its own shares if its general meeting of shareholders has granted the management board the authority to effect such acquisitions. Our shareholder has authorized our supervisory board to acquire our own shares up to the maximum number allowed under Dutch law. These shares may be used to deliver shares under our equity-based compensation plans.

An acquisition of common shares for a consideration must be authorized by our general meeting of shareholders. Such authorization may be granted for a maximum period of 18 months and must specify the number of common shares that may be acquired, the manner in which common shares may be acquired and the price limits within which common shares may be acquired. Authorization is not required for the acquisition of common shares in order to transfer them to our employees. The actual acquisition may only be effected by a resolution of our management board. Our management board has been authorized, acting with the approval of our supervisory board, for a period of 18 months to cause the repurchase of common shares by us of up to 10% of our issued share capital, for a price per share not exceeding 110% of the most recent closing price of a common share on any stock exchange where the common shares are listed.

No authorization of the general meeting of shareholders is required if common shares are acquired by us with the intention of transferring such common shares to our employees under an applicable employee stock purchase plan.

If we would decide to repurchase any of our shares, no votes could be cast at a general meeting of shareholders on the shares held by us or our subsidiaries or on shares for which we or our subsidiaries hold depositary receipts. Nonetheless, the holders of a right of use and enjoyment (*vruchtgebruik*) and the holders of a right of pledge in respect of shares held by us or our subsidiaries in our share capital are not excluded from the right to vote on such shares, if the right of use and enjoyment (*vruchtgebruik*) or the right of pledge was granted prior to the time such shares were acquired by us or any of our subsidiaries. Neither we nor any of our subsidiaries may cast votes in respect of a share on which we or such subsidiary holds a right of use and enjoyment (*vruchtgebruik*) or a right of pledge.

Delaware. Under the Delaware General Corporation Law, a corporation may purchase or redeem its own shares unless the capital of the corporation is impaired or the purchase or redemption would cause an impairment of the capital of the corporation. A Delaware corporation may, however, purchase or redeem out of capital any of its preferred shares or, if no preferred shares are outstanding, any of its own shares if such shares will be retired upon acquisition and the capital of the corporation will be reduced in accordance with specified limitations.

Anti-Takeover Provisions

The Netherlands. Under Dutch law, various protective measures are possible and permissible within the boundaries set by Dutch law and Dutch case law. We have adopted several provisions that may have the effect of making a takeover of our company more difficult or less attractive, including:

- the authorization of a class of preferred shares that may be issued by our management board to a friendly party, subject to the approval of our supervisory board, in such a manner as to dilute the interest of any potential acquirer;
- the staggered four-year terms of our supervisory directors, as a result of which only approximately one-fourth of our managing directors and supervisory directors will be subject to election in any one year;
- a provision that our managing directors and supervisory directors may only be removed at the general meeting of shareholders by a two-thirds majority of votes cast representing at least 50% of our outstanding share capital if such removal is not proposed by our supervisory board; and
- requirements that certain matters, including an amendment of our Articles of Association, may only be brought to our shareholders for a vote upon a proposal by our management board that has been approved by our supervisory board.

Delaware. In addition to other aspects of Delaware law governing fiduciary duties of directors during a potential takeover, the Delaware General Corporation Law also contains a business combination statute that protects Delaware companies from hostile takeovers and from actions following the takeover by prohibiting some transactions once an acquirer has gained a significant holding in the corporation.

Section 203 of the Delaware General Corporation Law prohibits “business combinations,” including mergers, sales and leases of assets, issuances of securities and similar transactions by a corporation or a subsidiary with an interested stockholder that beneficially owns 15% or more of a corporation’s voting stock, within three years after the person becomes an interested stockholder, unless:

- the transaction that will cause the person to become an interested stockholder is approved by the board of directors of the target prior to the transactions;
- after the completion of the transaction in which the person becomes an interested stockholder, the interested stockholder holds at least 85% of the voting stock of the corporation not including shares owned by persons who are directors and officers of interested stockholders and shares owned by specified employee benefit plans; or
- after the person becomes an interested stockholder, the business combination is approved by the board of directors of the corporation and holders of at least 66.67% of the outstanding voting stock, excluding shares held by the interested stockholder.

A Delaware corporation may elect not to be governed by Section 203 by a provision contained in the original certificate of incorporation of the corporation or an amendment to the original certificate of incorporation or to the bylaws of the company, which amendment must be approved by a majority of the shares entitled to vote and may not be further amended by the board of directors of the corporation. In most cases, such an amendment is not effective until twelve months following its adoption.

Inspection of Books and Records

The Netherlands. The management board and the supervisory board provide the general meeting of shareholders in good time with all information that the shareholders require for the exercise of their powers, unless this would be contrary to an overriding interest of us. If the management board or supervisory board invokes an overriding interest, it must give reasons.

Delaware. Under the Delaware General Corporation Law, any stockholder may inspect for any proper purpose certain of the corporation's books and records during the corporation's usual hours of business.

Removal of Directors

The Netherlands. Under our Articles of Association, the general meeting of shareholders shall at all times be entitled to suspend or dismiss a member of the management board or supervisory board. The general meeting of shareholders may only adopt a resolution to suspend or dismiss such a member by at least a two-thirds majority of the votes cast, if such majority represents more than half of the issued share capital, unless the proposal was made by the supervisory board in which case a simple majority is sufficient.

Delaware. Under the Delaware General Corporation Law, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, except (i) unless the certificate of incorporation provides otherwise, in the case of a corporation whose board is classified, stockholders may effect such removal only for cause, or (ii) in the case of a corporation having cumulative voting, if less than the entire board is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire board of directors, or, if there are classes of directors, at an election of the class of directors of which he is a part.

Preemptive Rights

The Netherlands. Under Dutch law, in the event of an issuance of common shares, each shareholder will have a pro rata preemptive right in proportion to the aggregate nominal value of the common shares held by such holder (with the exception of common shares to be issued to employees or common shares issued against a contribution other than in cash). Under our Articles of Association, the preemptive rights in respect of newly issued common shares may be restricted or excluded by a resolution of the general meeting of shareholders upon proposal of the management board, which proposal has been approved by the supervisory board.

The management board, subject to approval of the supervisory board, may restrict or exclude the preemptive rights in respect of newly issued common shares if it has been designated as the authorized body to do so by the general meeting of shareholders. Such designation can be granted for a period not exceeding five years. A resolution of the general meeting of shareholders to restrict or exclude the preemptive rights or to designate the management board as the authorized body to do so requires a majority of not less than two-thirds of the votes cast, if less than one-half of our issued share capital is represented at the meeting.

At a general meeting to be held prior to the consummation of this offering, we expect the general meeting of shareholders to authorize our management board acting with the approval of our supervisory board for a period of five years from the date of this offering to limit or exclude preemptive rights accruing to shareholders in connection with the issue of common shares or rights to subscribe for common shares.

No preemptive rights apply in respect of newly issued preferred shares.

Delaware. Under the Delaware General Corporation Law, stockholders have no preemptive rights to subscribe for additional issues of stock or to any security convertible into such stock unless, and to the extent that, such rights are expressly provided for in the certificate of incorporation.

Dividends

The Netherlands. Dutch law provides that dividends may be distributed after adoption of the annual accounts by the general meeting of shareholders from which it appears that such dividend distribution is allowed. Moreover, dividends may be distributed only to the extent the shareholders' equity exceeds the amount of the paid-up and called-up part of the issued share capital and the reserves that must be maintained under the law or the Articles of Association. Interim dividends may be declared as provided in the Articles of Association and may be distributed to the extent that the shareholders' equity exceeds the amount of the issued and paid-up and called-up part of the issued share capital and the required legal reserves as described above as apparent from our financial statements. Under Dutch law, the Articles of Association may prescribe that the management board decide what portion of the profits are to be held as reserves.

Under the Articles of Association, first, a dividend is paid out of the profit, if available for distribution, on the cumulative preferred shares. Any amount remaining out of the profit is carried to reserve as the management board determines, subject to the approval of the supervisory board. After reservation by the management board of any profit, the remaining profit will be at the disposal of the general meeting of shareholders. We only make a distribution of dividends to our shareholders after the adoption of our annual accounts demonstrating that such distribution is legally permitted. The management board is permitted, subject to certain requirements and subject to approval of the supervisory board, to declare interim dividends without the approval of the general meeting of shareholders.

Dividends and other distributions shall be made payable not later than the date determined by the management board. Claims to dividends and other distribution not made within five years from the date that such dividends or distributions became payable, will lapse and any such amounts will be considered to have been forfeited to us (*verjaring*).

Delaware. Under the Delaware General Corporation Law, a Delaware corporation may pay dividends out of its surplus (the excess of net assets over capital), or in case there is no surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year (provided that the amount of the capital of the corporation is not less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets). In determining the amount of surplus of a Delaware corporation, the assets of the corporation, including stock of subsidiaries owned by the corporation, must be valued at their fair market value as determined by the board of directors, without regard to their historical book value. Dividends may be paid in the form of common stock, property or cash.

Shareholder Vote on Certain Reorganizations

The Netherlands. Under Dutch law, the general meeting of shareholders must approve resolutions of the management board relating to a significant change in the identity or the character of the company or the business of the company, which includes:

- a transfer of the business or virtually the entire business to a third party;
- the entry into or termination of a long-term cooperation of the company or a subsidiary with another legal entity or company or as a fully liable partner in a limited partnership or general partnership, if such cooperation or termination is of a far-reaching significance for the company; and
- the acquisition or divestment by the company or a subsidiary of a participating interest in the capital of a company having a value of at least one third of the amount of its assets according to its balance sheet and explanatory notes or, if the company prepares a consolidated balance sheet, according to its consolidated balance sheet and explanatory notes in the last adopted annual accounts of the company.

Delaware. Under the Delaware General Corporation Law, the vote of a majority of the outstanding shares of capital stock entitled to vote thereon generally is necessary to approve a merger or consolidation or the sale of

all or substantially all of the assets of a corporation. The Delaware General Corporation Law permits a corporation to include in its certificate of incorporation a provision requiring for any corporate action the vote of a larger portion of the stock or of any class or series of stock than would otherwise be required.

Under the Delaware General Corporation Law, no vote of the stockholders of a surviving corporation to a merger is needed, however, unless required by the certificate of incorporation, if (i) the agreement of merger does not amend in any respect the certificate of incorporation of the surviving corporation, (ii) the shares of stock of the surviving corporation are not changed in the merger and (iii) the number of shares of common stock of the surviving corporation into which any other shares, securities or obligations to be issued in the merger may be converted does not exceed 20% of the surviving corporation's common stock outstanding immediately prior to the effective date of the merger. In addition, stockholders may not be entitled to vote in certain mergers with other corporations that own 90% or more of the outstanding shares of each class of stock of such corporation, but the stockholders will be entitled to appraisal rights.

Remuneration of Directors

The Netherlands. Under Dutch law and our Articles of Association, we must adopt a remuneration policy for our managing directors. Such remuneration policy shall be adopted by the general meeting of shareholders upon the proposal of the supervisory board. The supervisory board determines the remuneration of the management board in accordance with the remuneration policy. A proposal with respect to remuneration policies in the form of shares or rights to shares must be submitted to the general meeting of shareholders for its approval.

The general meeting may determine the remuneration of supervisory directors. The supervisory directors shall be reimbursed for their expenses.

Delaware. Under the Delaware General Corporation Law, the stockholders do not generally have the right to approve the compensation policy for directors or the senior management of the corporation, although certain aspects of executive compensation may be subject to stockholder vote due to the provisions of U.S. federal securities and tax law, as well as exchange requirements.

Code of Ethics

We intend to adopt a code of ethics applicable to the management and supervisory boards and all employees in connection with the consummation of this offering.

Listing

We have applied to list the common shares on the Nasdaq Global Market under the symbol "AFMD."

Transfer Agent and Registrar

The U.S. transfer agent and registrar for the common shares is American Stock Transfer and Trust Company LLC.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no market for our common shares. Future sales of substantial amounts of our common shares in the public market could adversely affect prevailing market prices from time to time. Furthermore, because only a limited number of common shares will be available for sale shortly after this offering due to existing contractual and legal restrictions on resale as described below, there may be sales of substantial amounts of our common shares in the public market after such restrictions lapse. This may adversely affect the prevailing market price and our ability to raise equity capital in the future.

Upon completion of this offering, after giving effect to (i) the first tranche of the Series E Financing, (ii) the issuance of warrants to Perceptive following the closing of this offering in connection with the Perceptive credit facility and (iii) our corporate reorganization (in each case assuming that the initial public offering price is $, the midpoint of the price range stated on the front cover of this prospectus (see "Corporate Reorganization")), we will have common shares outstanding assuming the exercise in full of the underwriters' option to purchase additional common shares. Of these shares, common shares, or common shares if the underwriters exercise their option in full to purchase additional common shares, sold in this offering will be freely transferable without restriction or registration under the Securities Act, except for any common shares purchased by one of our existing "affiliates," as that term is defined in Rule 144 under the Securities Act. The remaining common shares existing are "restricted shares" as defined in Rule 144. Restricted shares may be sold in the public market only if registered or if they qualify for an exemption from registration under Rules 144 or 701 of the Securities Act. After the expiration of the contractual 180-day lock-up period described below, these common shares may be sold in the public market only if registered or pursuant to Rules 144 or 701.

Rule 144

In general, a person who has beneficially owned our common shares that are restricted shares for at least six months would be entitled to sell such securities, provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned our common shares that are restricted shares for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of our common shares then outstanding, which will equal approximately common shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares; or
- the average weekly trading volume of our common shares on the Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale; provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144 to the extent applicable.

Rule 701

In general, under Rule 701, any of our employees, directors, officers, consultants or advisors who purchases shares from us in connection with a compensatory share or option plan or other written agreement before the effective date of this offering is entitled to resell such shares 90 days after the effective date of this offering in reliance on Rule 144, without having to comply with the holding period requirements or other restrictions contained in Rule 701.

The SEC has indicated that Rule 701 will apply to typical share options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon

exercise of such options, including exercises after the date of this prospectus. Securities issued in reliance on Rule 701 are restricted securities and, subject to the contractual restrictions described below, beginning 90 days after the date of this prospectus, may be sold by persons other than "affiliates," as defined in Rule 144, subject only to the manner of sale provisions of Rule 144 and by "affiliates" under Rule 144 without compliance with its one-year minimum holding period requirement.

Regulation S

Regulation S provides generally that sales made in offshore transactions are not subject to the registration or prospectus-delivery requirements of the Securities Act.

Registration Rights

We intend to enter into a registration rights agreement upon consummation of this offering pursuant to which we will agree under certain circumstances to file a registration statement to register the resale of the shares held by certain of our existing shareholders, as well as to cooperate in certain public offerings of such shares. Registration of these shares under the Securities Act would result in these shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by affiliates. See "Related Party Transactions—Registration Rights Agreement."

Lock-Up Agreements

All of our managing directors, supervisory directors and the holders of all or substantially all of our common shares have agreed, subject to limited exceptions, not to offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise dispose of, directly or indirectly, or enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the common shares or such other securities for a period of 180 days after the date of this prospectus, subject to certain exceptions, without the prior written consent of Jefferies LLC and Leerink Partners LLC. See "Underwriting."

Carve Out Agreements

Our existing shareholders have entered into agreements with our managing directors and certain of our supervisory directors and consultants that grant the beneficiaries the right to receive a payment equal to a certain percentage of the fair value of the Company contingent upon the occurrence of a defined event, including an initial public offering. Following the expiration of the lock up agreements described above, we anticipate that these agreements will be satisfied through a transfer to the beneficiaries of 7.78% of the common shares owned by our existing shareholders subsequent to the consummation of the corporate reorganization and immediately prior to the consummation of this offering and that a portion of these common shares will be sold pursuant to Rule 144 to satisfy withholding taxes triggered by the transfer.

TAXATION

The following summary contains a description of material German, Dutch and U.S. federal income tax consequences of the acquisition, ownership and disposition of common shares, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase common shares. The summary is based upon the tax laws of Germany and the Netherlands and regulations thereunder and on the tax laws of the United States and regulations thereunder as of the date hereof, which are subject to change.

German Tax Considerations

The following discussion is a summary of the material German tax considerations which—as the Company has its place of management in Germany and is therefore tax resident in Germany—relate to the purchase, ownership and disposition of our common shares both by a shareholder (an individual, a partnership or corporation) that has a tax domicile in Germany (that is, whose place of residence, habitual abode, registered office or place of management is in Germany) and by a shareholder without a tax domicile in Germany. This discussion does not cover the treatment of certain special companies such as those engaged in the financial and insurance sectors and pension funds. The information is not exhaustive and does not constitute a definitive explanation of all possible aspects of taxation that could be relevant for shareholders. The information is based on the tax law in force in Germany as of the date hereof (and its interpretation by administrative directives and courts) as well as typical provisions of double taxation treaties that Germany has concluded with other countries. Tax law can change—sometimes retrospectively. Moreover, it cannot be ruled out that the German tax authorities or courts may consider an alternative assessment to be correct that differs from the one described in this section.

This section cannot replace tailored tax advice to individual shareholders. They are therefore advised to consult their tax advisors regarding the tax implications of the acquisition, holding or transfer of shares and regarding the procedures to be followed to achieve a possible reimbursement of German withholding tax. Only such advisors are in a position to take the specific tax-relevant circumstances of individual shareholders into due account.

Income Tax Implications of the Purchase, Holding and Disposal of Shares

In terms of the taxation of shareholders of the Company, a distinction must be made between taxation in connection with the holding of shares ("*Taxation of Dividends*") and taxation in connection with the sale of shares ("*Taxation of Capital Gains*") and taxation in connection with the *mortis causa* or *inter vivos* (munificent) transfer of shares ("*Inheritance and Gift Tax*").

Taxation of Dividends

Withholding tax

As a general rule, the dividends distributed to the shareholder are subject to a withholding tax (*Kapitalertragsteuer*) of 25% and a solidarity surcharge of 5.5% thereon (i.e. 26.375% in total plus church tax, if applicable). The withholding tax is withheld and discharged for the account of the shareholders by the Company. Dividend payments that are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto*; § 27 KStG) are generally not taxable in Germany and are not subject to withholding tax.

In general, the withholding tax must be withheld regardless of whether and to which extent the dividend is exempt from tax at the level of the shareholder and whether the shareholder is domiciled in Germany or abroad.

However, withholding tax on dividends distributed to a company domiciled in another EU Member State within the meaning of Article 2 of the Parent-Subsidiary Directive may be refunded or exempted upon application and subject to further conditions. This also applies to dividends distributed to a permanent

establishment of such a parent company resident in another Member State of the European Union or to a parent company that is subject to unlimited tax liability in Germany, provided that the participation in the Company actually forms part of such permanent establishment's business assets. As further requirements for the refund or exemption of withholding tax under the Parent-Subsidiary Directive, the shareholder needs to hold at least a 10% direct stake in the company's registered capital for one year and to file a respective application with the German Federal Central Tax Office (*Bundeszentralamt für Steuern, Hauptdienstsitz Bonn-Beuel, An der Küppe 1, 53225 Bonn*) using an official form.

With respect to distributions made to other shareholders without a tax domicile in Germany, the withholding tax rate can be reduced in accordance with a double taxation treaty if Germany has entered into a double taxation treaty with the shareholder's state of residence and if the shares neither form part of the assets of a permanent establishment or a fixed place of business in Germany, nor form part of business assets for which a permanent representative in Germany has been appointed. Pursuant to most German tax treaties, including the income tax treaty between Germany and the United States, the German withholding tax rate is reduced to 15% (or, in certain cases, to a lower rate) with respect to distributions received by shareholders eligible for treaty benefits. The withholding tax reduction is generally granted by the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) upon application in such a manner that the difference between the total amount withheld, including the solidarity surcharge, and the reduced withholding tax actually owed under the relevant double taxation treaty is refunded by the German Federal Central Tax Office.

Forms for the reimbursement and exemption from the withholding at source procedure are available at the German Federal Central Tax Office (*http://www.bzst.bund.de*) as well as at German embassies and consulates.

If dividends are distributed to corporations subject to limited tax liability, i.e. corporations with no registered office or place of management in Germany and if the shares neither belong to the assets of a permanent establishment or fixed place of business in Germany nor form part of business assets for which a permanent representative in Germany has been appointed, two-fifths of the tax withheld at the source can generally be refunded even if the prerequisites for a refund under the Parent-Subsidiary Directive or the relevant double taxation treaty are not fulfilled. The relevant application forms are available at the German Federal Central Tax Office (at the address specified above).

The exemption from withholding tax under the Parent-Subsidiary Directive as well as the aforementioned possibilities for a refund of withholding tax depend on certain other conditions being met (particularly the fulfillment of so-called substance requirements—*Substanzerfordernisse*).

Taxation of dividends of shareholders with a tax domicile in Germany

Shares held as non-business assets

Dividends distributed to shareholders with a tax domicile in Germany whose shares are held as non-business assets form part of their taxable capital investment income, which is subject to a flat tax at a rate of 25% plus solidarity surcharge of 5.5% thereon (i.e. 26.375% in total plus church tax, if applicable). The income tax owed for this dividend income is in general discharged by the withholding tax levied by the Company (flat tax—*Abgeltungsteuer*). Income-related expenses cannot be deducted from the capital investment income, except for an annual lump-sum deduction (*Sparer-Pauschbetrag*) of €801 (€1,602 for married couples filing jointly).However, the shareholder may request that his capital investment income (including dividends) along with his other taxable income is taxed at his progressive income tax rate (instead of the flat tax on capital investment income) if this results in a lower tax burden. In this case the withholding tax will be credited against the progressive income tax and any excess amount will be refunded. Pursuant to the current view of the German tax authorities (which has recently been rejected by a fiscal court; a decision by the German Federal Tax Court (*Bundesfinanzhof*) is still pending), in this case as well income-related expenses cannot be deducted from the capital investment income, except for the aforementioned annual lump-sum deduction.

Exceptions from the flat tax apply upon application for shareholders who have a shareholding of at least 25% in the Company and for shareholders who have a shareholding of at least 1% in the Company and work for the Company in a professional capacity.

Shares held as business assets

Dividends from shares held as business assets by a shareholder with a tax domicile in Germany are not subject to the flat tax. The taxation depends on whether the shareholder is a corporation, a sole proprietor or a partnership (co-entrepreneurship). The withholding tax (including the solidarity surcharge thereon and church tax, if applicable) withheld and paid by the Company will be credited against the shareholder's income tax or corporate income tax liability (including the solidarity surcharge thereon and church tax, if applicable) or refunded in the amount of any excess.

Corporations

If the shareholder is a corporation with a tax domicile in Germany, the dividends are in general effectively 95% exempt from corporate income tax and the solidarity surcharge. Five percent of the dividends are treated as non-deductible business expenses and are therefore subject to corporate income tax (plus the solidarity surcharge thereon) at a total tax rate of 15.825%. In other respects, business expenses actually incurred in direct relation to the dividends may be deducted. However, pursuant to the Act for the implementation of the ECJ's ruling dated October 20, 2011 (*Gesetz zur Umsetzung des EuGH-Urteils vom 20. Oktober 2011 in der Rechtssache C-284/09*), dividends that the shareholder received and receives after February 28, 2013, are no longer exempt from corporate income tax (including solidarity surcharge thereon), if the shareholder only held (or holds) a direct participation of less than 10% in the share capital of the distributing corporation at the beginning of the calendar year (hereinafter in all cases, a "*Portfolio Participation*" (*Streubesitzbeteiligung*)). Participations of at least 10% acquired during a calendar year are deemed to have been acquired at the beginning of the calendar year. Participations which a shareholder holds through a partnership (including those that are co-entrepreneurships (*Mitunternehmerschaften*)) are attributable to the shareholder only on a *pro rata* basis at the ratio of the interest share of the shareholder in the assets of the relevant partnership. Shareholders affected by the rules for the taxation of dividends from Portfolio Participations are recommended to discuss the potential consequences with their tax advisors.

However, the dividends (after deducting business expenses economically related to the dividends) are subject to trade tax in the full amount, unless the requirements of the trade tax participation exemption privilege are fulfilled. In this latter case, the dividends are not subject to trade tax; however, trade tax is levied on amounts considered to be non-deductible business expenses (amounting to 5% of the dividend). Trade tax ranges from 7% to approximately 18% depending on the municipal trade tax multiplier applied by the relevant municipal authority.

Sole proprietors

If the shares are held as business assets by a sole proprietor with a tax domicile in Germany, only 60% of the dividends are subject to progressive income tax (plus the solidarity surcharge thereon) at a total tax rate of up to approximately 47.5% (plus church tax, if applicable), under the so-called partial income method (*Teileinkünfteverfahren*). Only 60% of the business expenses economically related to the dividends are tax-deductible. If the shares belong to a domestic permanent establishment in Germany of a business operation of the shareholder, the dividend income (after deducting business expenses economically related thereto) is fully subject to trade tax, unless the prerequisites of the trade tax participation exemption privilege are fulfilled. In this latter case the net amount of dividends, i.e. after deducting directly related expenses, is exempt from trade tax. As a rule, trade tax can be credited against the shareholder's personal income tax, either in full or in part, by means of a lump-sum tax credit method—depending on the level of the municipal trade tax multiplier and certain individual tax-relevant circumstances of the taxpayer.

Partnerships

If the shareholder is a genuine business partnership or a deemed business partnership (co-entrepreneurship) with a permanent establishment in Germany, the income tax or corporate income tax is not levied at the level of the partnership but at the level of the respective partner. The taxation of every partner depends on whether the partner is a corporation or an individual. If the partner is a corporation, the dividends contained in the profit share of the partner will be taxed in accordance with the rules applicable for corporations (see "*Corporations*" above). If the partner is an individual, the taxation follows the rules described for sole proprietors, (see "*Sole proprietors*" above). Upon application and subject to further conditions, an individual as a partner can have his personal income tax rate reduced for earnings retained at the level of the partnership.

In addition, the dividends are generally subject to trade tax in the full amount at the partnership level if the shares are attributed to a German permanent establishment of the partnership. If a partner of the partnership is an individual, the portion of the trade tax paid by the partnership pertaining to his profit share will generally be credited, either in full or in part, against his personal income tax by means of a lump-sum method—depending on the level of the municipal trade tax multiplier and certain individual tax-relevant circumstances of the taxpayer. Due to a lack of case law and administrative guidance, it is currently unclear how the rules for the taxation of dividends from Portfolio Participations (see "*Corporations*" above) might impact the trade tax treatment at the level of the partnership. Shareholders are strongly recommended to consult their tax advisors. Under a literal reading of the law, if the partnership qualifies for the trade tax exemption privilege at the beginning of the relevant assessment period, the dividends should generally not be subject to trade tax. However, in this case, trade tax should be levied on 5% of the dividends to the extent they are attributable to the profit share of such corporate partners to whom at least 10% of the shares in the Company are attributable on a look-through basis, since such portion of the dividends should be deemed to be non-deductible business expenses. The remaining portion of the dividend income attributable to other than such specific corporate partners (which includes individual partners and should, under a literal reading of the law, also include corporate partners to whom, on a look-through basis, only Portfolio Participations are attributable) should (after the deduction of business expenses economically related thereto) not be subject to trade tax.

Taxation of dividends of shareholders without a tax domicile in Germany

Shareholders without a tax domicile in Germany whose shares are attributable to a German permanent establishment or fixed place of business or are part of business assets for which a permanent representative in Germany has been appointed, are also subject to tax in Germany on their dividend income. In this respect the provisions outlined above for shareholders with a tax domicile in Germany whose shares are held as business assets apply accordingly ("*—Taxation of dividends of shareholders with a tax domicile in Germany—Shares held as business assets*"). The withholding tax (including the solidarity surcharge thereon) withheld and passed on will be credited against the income or corporate income tax liability or refunded in the amount of any excess.

In all other cases, any German limited tax liability on dividends is discharged by withholding tax imposed by the Company. Withholding tax is only reimbursed in the cases and to the extent described above under "*—Withholding tax*".

Taxation of Capital Gains

Taxation of capital gains of shareholders with a tax domicile in Germany

Shares held as non-business assets

Gains from the disposal of shares acquired after December 31, 2008 by a shareholder with a tax domicile in Germany and held as non-business assets are generally—regardless of the holding period—subject to a flat tax on capital investment income at a rate of 25% (plus the solidarity surcharge of 5.5% thereon, i.e. 26.375% in total plus any church tax if applicable).

The taxable capital gain is computed as the difference between (a) the sale proceeds and (b) the acquisition costs of the shares and the expenses related directly and economically to the disposal.

Only an annual lump-sum deduction of EUR 801 (EUR 1,602 for married couples filing jointly) may be deducted from the entire capital investments income. It is not possible to deduct income-related expenses in connection with capital gains, except for the expenses directly related in substance to the disposal which can be deducted when calculating the capital gains. Losses from disposals of shares may only be offset against capital gains from the disposal of shares.

If the disposal of the shares is executed by a domestic credit institution, or domestic financial services institution (*inländisches Kredit- oder Finanzdienstleistungsinstitut*) (including domestic branches of foreign credit and financial services institutions), domestic securities trading company (*inländisches Wertpapierhandelsunternehmen*) or a domestic securities trading bank (*inländische Wertpapierhandelsbank*), and such office pays out or credits the capital gains (a "*Domestic Paying Agent*"), the tax on the capital gains will in general be discharged for the account of the seller by the Domestic Paying Agent imposing the withholding tax on investment income at the rate of 26.375% (including the solidarity surcharge thereon) on the capital gain.

However, the shareholder can apply for his total capital investment income together with his other taxable income to be subject to his progressive income tax rate as opposed to the flat tax on investment income, if this results in a lower tax liability. In this case the withholding tax is credited against the progressive income tax and any resulting excess amount will be refunded. Pursuant to the current view of the German tax authorities (which has recently been rejected by a fiscal court; a decision by the German Federal Tax Court (*Bundesfinanzhof*) is still pending), in this case as well income-related expenses cannot be deducted from the capital investment income, except for the aforementioned an annual lump-sum deduction. Further, the limitations on offsetting losses are also applicable under the income tax assessment.

If the withholding tax or, if applicable, the church tax on capital gains is not withheld by a Domestic Paying Agent, the shareholder is required to declare the capital gains in his income tax return. The income tax and any applicable church tax on the capital gains will then be collected by way of assessment.

Regardless of the holding period and the time of acquisition, gains from the disposal of shares are not subject to the flat tax but to progressive income tax if a shareholder domiciled in Germany, or, in the event of a munificent transfer, their legal predecessor, or, if the shares have been munificently transferred several times in succession, one of his legal predecessors at any point during the five years preceding the disposal directly or indirectly held at least 1% of the share capital of the Company (a "*Qualified Holding*"). In this case the partial income method applies to gains from the disposal of shares, which means that only 60% of the capital gains are subject to tax and only 60% of the losses on the disposal and expenses economically related thereto are tax deductible. Even though withholding tax has to be withheld by a Domestic Paying Agent in the case of a Qualified Holding, this does not discharge the tax liability of the shareholder. Consequently, a shareholder must declare his capital gains in his income tax return. The withholding tax (including the solidarity surcharge thereon and church tax, if applicable) levied and paid will be credited against the shareholder's income tax liability as assessed (including the solidarity surcharge thereon and any church tax if applicable) or refunded in the amount of any excess.

Shares held as business assets

Gains from the sale of shares held as business assets of a shareholder with a tax domicile in Germany are not subject to the flat tax. The taxation of the capital gains depends on whether the shareholder is a corporation, a sole proprietor or a partnership (co-entrepreneurship).

Corporations

If the shareholder is a corporation with a tax domicile in Germany, the gains from the disposal of shares are in general effectively 95% exempt from corporate income tax (including the solidarity surcharge thereon) and

trade tax, regardless of the size of the participation and the holding period, and 5% of the gains are treated as non-deductible business expenses and are therefore subject to corporate income tax (plus the solidarity surcharge thereon) at a rate of 15.825% and trade tax (depending on the municipal trade tax multiplier applied by the municipal authority, generally between 7% and approximately 18%). As a rule, capital losses and other profit reductions in connection with shares (e.g. from a write-down) cannot be deducted for tax purposes. Currently, there are no specific rules for the taxation of gains arising from the disposal of Portfolio Participations.

Sole proprietors

If the shares are held as business assets by a sole proprietor with a tax domicile in Germany, only 60% of the gains from the disposal of the shares are subject to progressive income tax (plus the solidarity surcharge thereon) at a total tax rate of up to approximately 47.5%, and, if applicable, church tax (partial-income method). Only 60% of the losses on the disposal and expenses economically related thereto are tax deductible. If the shares belong to a German permanent establishment of a business operation of the sole proprietor, 60% of the gains of the disposal of the shares are, in addition, subject to trade tax.

Trade tax can be credited against the shareholder's personal income tax liability, either in full or in part, by means of a lump-sum tax credit method—depending on the level of the municipal trade tax multiplier and certain individual tax-relevant circumstances of the taxpayer.

Partnerships

If the shareholder is a genuine business partnership or a deemed business partnership (co-entrepreneurship) with a permanent establishment in Germany, the income or corporate income tax is not levied at the level of the partnership but at the level of the respective partner. The taxation depends on whether the partner is a corporation or an individual. If the partner is a corporation, the capital gains from the shares as contained in the profit share of the partner will be taxed in accordance with the rules applicable to corporations (see *"Corporations*" above). For capital gains in the profit share of a partner that is an individual, the principles outlined above for sole proprietors apply accordingly (partial-income method, see above under *"Sole proprietors*"). Upon application and subject to further conditions, an individual as a partner can obtain a reduction of his personal income tax rate for earnings retained at the level of the partnership.

In addition, capital gains from the shares are subject to trade tax at the level of the partnership if the shares are attributed to a domestic permanent establishment of a business operation of the partnership generally, (i) at 60% as far as they are attributable to the profit share of an individual as the partner of the partnership, and,(ii) currently, at 5% as far as they are attributable to the profit share of a corporation as the partner of the partnership. Capital losses and other profit reductions in connection with the shares are currently not deductible for trade tax purposes if they are attributable to the profit share of a corporation; however, 60% of the capital losses are deductible subject to general limitations to the extent such losses are attributable to the profit share of an individual.

If the partner of the partnership is an individual, the portion of the trade tax paid by the partnership attributable to his profit share will generally be credited, either in full or in part, against his personal income tax by means of a lump-sum method—depending on the level of the municipal trade tax multiplier and certain individual tax-relevant circumstances of the taxpayer.

Withholding tax

In case of a Domestic Paying Agent, the capital gains from shares held as business assets are not subject to withholding tax in the same way as shares held as non-business assets by a shareholder (see "*—Taxation of capital gains of shareholders with a tax domicile in Germany—Shares held as non-business assets*"). Instead, the Domestic Paying Agent will not levy the withholding tax, provided that (i) the shareholder is a corporation, association of persons or estate with a tax domicile in Germany, or (ii) the shares belong to the domestic

business assets of a shareholder, and the shareholder declares so to the Domestic Paying Agent using the designated official form and certain other requirements are met. If withholding tax is imposed by a Domestic Paying Agent, the withholding tax (including the solidarity surcharge thereon and church tax, if applicable) imposed and discharged will be credited against the income tax or corporate income tax liability (including the solidarity surcharge thereon and church tax, if applicable) or will be refunded in the amount of any excess.

Taxation of capital gains of shareholders without a tax domicile in Germany

Capital gains derived by shareholders not tax resident in Germany are only subject to German tax if the shareholder has a Qualified Holding in the Company or the shares belong to a domestic permanent establishment or fixed place of business or are part of business assets for which a permanent representative in Germany has been appointed.

In case of a Qualified Holding (as defined in "*—Taxation of capital gains of shareholders with a tax domicile in Germany—Shares held as non-business assets*"), 5% of the gains from the disposal of the shares should currently be subject to corporate income tax plus the solidarity surcharge thereon, if the shareholder is a corporation. If the shareholder is a private individual, only 60% of the gains from the disposal of the shares are subject to progressive income tax plus the solidarity surcharge thereon (partial-income method). However, most double taxation treaties provide for exemption from German taxation and attribute the right of taxation to the shareholder's state of residence. According to the tax authorities there is no obligation to levy withholding tax at source in the case of a Qualified Holding if the shareholder submits to the Domestic Paying Agent a certificate of residence issued by the competent foreign tax authority.

With regard to capital gains or losses from shares attributable to a domestic permanent establishment or fixed place of business or which form part of business assets for which a permanent representative in Germany has been appointed, the above-mentioned provisions pertaining to shareholders with a tax domicile in Germany whose shares are business assets apply *mutatis mutandis (*see *"Taxation of capital gains of shareholders with a tax domicile in Germany—Shares held as business assets*"). The Domestic Paying Agent can refrain from deducting the withholding tax if the shareholder declares to the Domestic Paying Agent on an official form that the shares form part of domestic business assets and certain other requirements are met.

Inheritance and Gift Tax

The transfer of shares to another person *mortis causa* or by way of munificent donation is generally subject to German inheritance or gift tax if:

(i) the place of residence, habitual abode, place of management or registered office of the decedent, the donor, the heir, the donee or another acquirer is, at the time of the asset transfer, in Germany, or such person, as a German national, has not spent more than five continuous years outside of Germany without maintaining a place of residence in Germany, or

(ii) the decedent's or donor's shares belonged to business assets for which there had been a permanent establishment in Germany or a permanent representative had been appointed, or

(iii) the decedent or the donor, at the time of the succession or gift, held a direct or indirect interest of at least 10% of the Company's share capital either alone or jointly with other related parties.

The small number of double taxation treaties in respect of inheritance and gift tax which Germany has concluded to date usually provide for German inheritance or gift tax only to be levied in the cases under (i) and, subject to certain restrictions, in the cases under (ii). Special provisions apply to certain German nationals living outside of Germany and to former German nationals.

Other Taxes

No German financial transfer taxes, VAT, stamp duties or similar taxes are currently levied on the purchase or disposal or other forms of transfer of the shares. However, for VAT purposes, an entrepreneur may opt for taxation in relation to disposals of shares, which are in principle exempt from value-added-tax, if the sale is made to another entrepreneur for the entrepreneur's business. Wealth tax is currently not levied in Germany.

Dutch Tax Considerations

The following does not purport to present any comprehensive or complete description of all aspects of Dutch tax law which could be of relevance to a holder of common shares (a "Shareholder"). For Dutch tax purposes, a Shareholder may include an individual or entity who does not have the legal title of the common shares in the capital of the Company (the "Shares"), but to whom nevertheless the Shares are attributed based either on such individual or entity holding a beneficial interest in the Shares or based on specific statutory provisions, including statutory provisions pursuant to which Shares are attributed to an individual who is, or who has directly or indirectly inherited from a person who was, the settlor, grantor or similar originator of a trust, foundation or similar entity that holds the Shares.

Shareholders or prospective Shareholders should therefore consult their tax adviser regarding the tax consequences of any purchase, ownership or disposal of common Shares in their particular circumstance.

The following summary is based on the Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date hereof, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect. For the purpose of this paragraph, "Dutch Taxes" means taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities. The Netherlands means the Kingdom of the Netherlands that is located in Europe.

Any reference hereafter made to a treaty for the avoidance of double taxation concluded by the Netherlands, includes the Tax Regulation for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*), the Tax Regulation for the country of the Netherlands (*Belastingregeling voor het land Nederland*) and the agreement between the Taipei Representative Office in the Netherlands and the Netherlands Trade and Investment Office in Taipei for the avoidance of double taxation.

Withholding Tax

A Shareholder is generally subject to Dutch dividend withholding tax at a rate of 15% on dividends distributed by the Company. The Company is generally responsible for the withholding of such dividend withholding tax at source. The dividend withholding tax is for the account of the Shareholder.

As of January 1, 2015 the convention between Germany and the Netherlands for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, concluded on April 12, 2012 (the 2012 Germany-Netherlands Treaty) is expected to be in force. Under the 2012 Germany-Netherlands Treaty, a Shareholder, other than a Shareholder who is a resident of the Netherlands, will not be subject to Dutch dividend withholding tax on dividends distributed by the Company, irrespective of the nature or form of such dividend, if and for as long as the Company is tax resident solely in Germany for the purposes of the 2012 Germany-Netherlands Treaty. A Shareholder that is resident of the Netherlands, will generally be subject to Dutch dividend withholding tax on dividends distributed by the company, irrespective of the nature or form of such dividend, at a rate of 15%. The Company intends to be a resident solely in Germany for tax treaty purposes on a continuous basis.

Dividends distributed by the Company include, but are not limited to:

- distributions of profits in cash or in kind, whatever they be named or in whatever form, deemed or constructive distributions, whatever they be named or in whatever form;

- proceeds from the liquidation of the Company, or proceeds from the redemption or the repurchase of Shares by the Company or one of its direct or indirect subsidiaries, other than as a temporary portfolio investment (*tijdelijke belegging*), in excess of the average paid-in capital recognized for Dutch dividend withholding tax purposes;
- the nominal value of Shares issued to a Shareholder or an increase in the nominal value of the Shares, to the extent that no contribution, recognized for Dutch dividend withholding tax purposes, has been made or will be made; and
- partial repayment of paid-in capital, that is
  - not recognized for Dutch dividend withholding tax purposes, or
  - recognized for Dutch dividend withholding tax purposes, to the extent that the Company has "net profits" (*zuivere winst*), unless
    (a) the general meeting of Shareholders has resolved in advance to make such repayment, and
    (b) the nominal value of the Shares concerned has been reduced with an equal amount by way of an amendment to the Articles of Association of the Company.

The term "net profits" includes anticipated profits that have yet to be realized.

Notwithstanding the above, no withholding is required in the event of a repurchase of Shares, if certain conditions are fulfilled.

If a Shareholder is resident or deemed to be resident in the Netherlands, other than an individual who has opted to be treated as if resident in the Netherlands, such Shareholder is generally entitled to an exemption or a full credit for any Dutch dividend withholding tax against his or her Dutch income or corporate income tax liability and to a refund of any residual Dutch dividend withholding tax. The same generally applies to a Shareholder that neither is resident nor deemed to be resident in the Netherlands if the Shares of the Company are attributable to a Netherlands permanent establishment of such non-resident Shareholder.

If a Shareholder is resident in a country other than the Netherlands, under certain circumstances exemptions from, reduction in or refunds of Dutch dividend withholding tax may be available pursuant to Dutch domestic law or treaties or regulations for the avoidance of double taxation.

According to Dutch domestic anti-dividend stripping rules, no credit against Dutch income or corporate income tax, exemption from, reduction in or refund of, Dutch dividend withholding tax will be granted if the recipient of the dividend paid by the company is not considered to be the beneficial owner (*uiteindelijk gerechtigde*) of such dividends as meant in these rules.

Taxes on Income and Capital Gains

This paragraph does not purport to describe the possible Dutch tax considerations or consequences that may be relevant to a Shareholder:

- who is an individual and for whom the income or capital gains derived from the Shares are attributable to employment activities, the income from which is taxable in the Netherlands;
- that is an entity that is not subject to corporate income tax in full or in part exempt from corporate income tax (such as pension funds);
- that is an investment institution (*beleggingsinstelling*) as defined in Section 6a or 28 of the Dutch 1969 Corporate income tax act (*Wet op de vennootschapsbelasting 1969* "**CITA**"); or
- which is entitled to the participation exemption (*deelnemingsvrijstelling*) with respect to the Shares as defined in Section 13 CITA.

Residents in the Netherlands

The description of certain Dutch tax consequences in this paragraph is only intended for the following Shareholders:

(a) individuals who are resident or deemed to be resident in the Netherlands for Dutch income tax purposes ("**Dutch Individuals**"); and

(b) entities that are subject to the CITA and are resident or deemed to be resident in the Netherlands for corporate income tax purposes ("**Dutch Corporate Entities**").

Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Dutch Individuals are generally subject to income tax at statutory progressive rates with a maximum of 52% (2014) with respect to any benefits derived or deemed to be derived from Dutch Enterprise Shares (as defined below), including any capital gains realised on the disposal thereof.

"**Dutch Enterprise Shares**" are Shares or any right to derive benefits therefrom:

- which are attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder); or
- of which the benefits are taxable in the hands of a Dutch Individual as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*) including, without limitation, activities which are beyond the scope of active portfolio investment activities (*normaal actief vermogensbeheer*).

Dutch Individuals holding a substantial interest or fictitious substantial interest

Dutch Individuals are generally subject to income tax at statutory rate of 25% (2014) with respect to any benefits derived or deemed to be derived from Shares, excluding Dutch Enterprise Shares, (including any capital gains realised on the disposal thereof) that are attributable to a substantial interest or fictitious substantial interest (such shares being "**Substantial Interest Shares**").

Generally, a Shareholder has a substantial interest (*aanmerkelijk belang*) in the Company if such Shareholder, alone or together with his or her partner, directly or indirectly:

- owns, or holds certain rights on, Shares representing 5% or more of the total issued and outstanding capital of the Company, or of the issued and outstanding capital of any class of shares of the Company;
- holds rights to acquire Shares, whether or not already issued, representing 5% or more of the total issued and outstanding capital of the Company, or of the issued and outstanding capital of any class of shares of the Company; or
- owns, or holds certain rights on, profit participating certificates that relate to 5% or more of the annual profit of the Company or to 5% or more of the liquidation proceeds of the Company.

Generally, a Shareholder has a fictitious substantial interest (*fictief aanmerkelijk belang*) in the Company if, without having an actual substantial interest in the Company:

- an enterprise has been contributed to the Company in exchange for Shares on an elective non-recognition basis;
- Shares have been obtained under gift law, inheritance law or matrimonial law, on a non-recognition basis, while the previous holder had a substantial interest in the Company;
- Shares have been acquired pursuant to a share merger, legal merger or legal demerger, on an elective non-recognition basis, while the holder prior to this transaction had a substantial interest in an entity that was party thereto; or
- Shares held by the holder, prior to dilution, qualified as a substantial interest and, by election, no gain was recognized upon disqualification of these Shares.

A Shareholder will also have a substantial interest if its partner or one of certain defined relatives of the Shareholder or of its partner has a substantial interest.

Dutch Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities or having a substantial interest or fictitious substantial interest

Generally, a Dutch Individual who owns Shares, excluding Dutch Enterprise Shares, will be subject annually to an income tax imposed on a fictitious yield on such Shares under the regime for savings and investments (inkomen uit sparen en beleggen). Irrespective of the actual income or capital gains realised, the annual taxable benefit of all the assets and liabilities of a Dutch Individual that are taxed under this regime, including the Shares is set at a fixed amount. The fixed amount equals 4% of the fair market value of the assets reduced by the liabilities and measured, in general, exclusively at the beginning of every calendar year. The tax rate under the regime for savings and investments is a flat rate of 30% (2014), with a tax free allowance of EUR 21,139 (2014).

Dutch Corporate Entities

Dutch Corporate Entities are generally subject to corporate income tax at statutory rates up to 25% with respect to any benefits derived or deemed to be derived (including any capital gains realised on the disposal) of Shares.

Non-residents in the Netherlands

A Shareholder other than a Dutch Individual or Dutch Corporate Entity, will not be subject to any Dutch Taxes on income or capital gains with respect to the ownership and disposal or deemed disposal of the Shares, other than dividend withholding tax as described above, except if:

- the Shareholder, whether an individual or not, derives profits from an enterprise, whether as entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise other than as an entrepreneur or a shareholder, which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands, to which the Shares are attributable;
- the Shareholder is an individual and derives benefits from miscellaneous activities carried out in the Netherlands in respect of the Shares, including, without limitation, activities which are beyond the scope of active portfolio investment activities;
- the Shareholder is an individual and has a substantial interest or a fictitious substantial interest in the company, which substantial interest or fictitious substantial interest is not attributable to the assets of an enterprise;
- the Shareholder is not an individual and has a substantial interest or a fictitious substantial interest in the Company, which substantial interest or fictitious substantial interest is not attributable to the assets of an enterprise and the main or one of the main purposes of the chosen ownership structure is the evasion of Dutch income tax or dividend withholding tax;
- the Shareholder is an individual and is entitled to a share in the profits of an enterprise, other than by way of the holding of securities, which enterprise is effectively managed in the Netherlands and to which enterprise the Shareholder are attributable;
- the Shareholder is not an individual and is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, other than by way of the holding of securities, which enterprise is effectively managed in the Netherlands and to which enterprise the Shareholder are attributable; or
- the Shareholder is not an individual, is resident of Aruba, Curacao, or Sint Maarten and derives profits from an enterprise, which enterprise is, in whole or in part, carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, to which the Shares are attributable.

However, if and for as long as the Company is tax resident solely in Germany for the purposes of the Germany-Netherlands Tax Treaty that is currently in force and the 2012 Germany-Netherlands Treaty, a Shareholder other than a Dutch Individual or Dutch Corporate Entity, who holds a substantial interest or a fictitious substantial interest in the Company will not be subject to Dutch Taxes on income or capital gains in respect of the ownership and disposal of the Shares.

Gift Tax and Inheritance Tax

No Dutch gift or inheritance tax is due in respect of any gift of the Shares by, or inheritance of the Shares on the death of, a Shareholder, except if:

- at the time of the gift or death of the Shareholder, the Shareholder is resident, or is deemed to be resident, in the Netherlands;
- the Shareholder passes away within 180 days after the date of the gift of the Shares and is not, or not deemed to be, at the time of the gift, but is, or deemed to be, at the time of his or her death, resident in the Netherlands;
- the gift of the Shares is made under a condition precedent and the Shareholder is resident, or is deemed to be resident, in the Netherlands at the time the condition is fulfilled; or
- the transfer of the Shares is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Dutch gift or inheritance tax, an individual who is of Dutch nationality will be deemed to be resident in the Netherlands if such individual has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his or her death. For purposes of Dutch gift tax, any individual, irrespective of his or her nationality, will be deemed to be resident in the Netherlands if he or she has been resident in the Netherlands at any time during the 12 months preceding the date of the gift.

Other Taxes and Duties

No Dutch value added tax or Dutch taxes of a documentary nature, such as stamp or registration tax or other similar tax or duty, are payable by or on behalf of a Shareholder by reason only of the purchase, ownership and disposal of the Shares.

Residency

A Shareholder will not become resident, or deemed resident in the Netherlands for tax purposes by reason only of holding the Shares.

U.S. Federal Income Tax Considerations

In the opinion of Davis Polk & Wardwell LLP, the following is a description of the material U.S. federal income tax consequences to the U.S. Holders described below of owning and disposing of common shares. It does not describe all tax considerations that may be relevant to a particular person's decision to acquire the common shares.

This discussion applies only to a U.S. Holder that holds common shares as capital assets for tax purposes. In addition, it does not describe all of the tax consequences that may be relevant in light of the U.S. Holder's particular circumstances, including alternative minimum tax consequences, the potential application of the provisions of the Code known as the Medicare contribution tax and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding common shares as part of a hedging transaction, straddle, wash sale, conversion transaction or other integrated transaction or persons entering into a constructive sale with respect to the common shares;

- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities, including an "individual retirement account" or "Roth IRA";
- persons that own or are deemed to own ten percent or more of our voting shares; or
- persons holding common shares in connection with a trade or business conducted outside of the United States.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds common shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding common shares and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of owning and disposing of the common shares.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), administrative pronouncements, judicial decisions, final, temporary and proposed Treasury regulations, and the income tax treaty between the Netherlands and the United States (the "Treaty") all as of the date hereof, any of which is subject to change or differing interpretations, possibly with retroactive effect.

A "U.S. Holder" is a holder who, for U.S. federal income tax purposes, is a beneficial owner of common shares who is eligible for the benefits of the Treaty and is:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

U.S. Holders should consult their tax advisers concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of common shares in their particular circumstances.

Taxation of Distributions

Subject to the passive foreign investment company rules described below, distributions paid on common shares, other than certain pro rata distributions of common shares, will generally be treated as dividends to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we do not maintain calculations of our earnings and profits under U.S. federal income tax principles, we expect that distributions generally will be reported to U.S. Holders as dividends. For so long as our common shares are listed on Nasdaq or we are eligible for benefits under the Treaty, dividends paid to certain non-corporate U.S. Holders will be eligible for taxation as "qualified dividend income" and therefore, subject to applicable limitations, will be taxable at rates not in excess of the long-term capital gain rate applicable to such U.S. Holder. U.S. Holders should consult their tax advisers regarding the availability of the reduced tax rate on dividends in their particular circumstances. The amount of a dividend will include any amounts withheld by us in respect of Dutch income taxes. The amount of the dividend will be treated as foreign-source dividend income to U.S. Holders and will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Dividends will be included in a U.S. Holder's income on the date of the U.S. Holder's receipt of the dividend. The amount of any dividend income paid in euros will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt.

Subject to applicable limitations, some of which vary depending upon the U.S. Holder's particular circumstances, Dutch income taxes withheld from dividends on common shares at a rate not exceeding the

rate provided by the Treaty will be creditable against the U.S. Holder's U.S. federal income tax liability. The rules governing foreign tax credits are complex and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances. In lieu of claiming a foreign tax credit, U.S. Holders may, at their election, deduct foreign taxes, including any Dutch income tax, in computing their taxable income, subject to generally applicable limitations under U.S. law. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the taxable year.

Sale or Other Disposition of Common Shares

Subject to the passive foreign investment company rules described below, gain or loss realized on the sale or other disposition of common shares will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the common shares for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the common shares disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to various limitations.

Passive Foreign Investment Company Rules

Under the Code, we will be a "passive foreign investment company" (a "PFIC") for any taxable year in which, after the application of certain "look-through" rules with respect to subsidiaries, either (i) 75% or more of our gross income consists of "passive income," or (ii) 50% or more of the average quarterly value of our assets consist of assets that produce, or are held for the production of, "passive income." Passive income generally includes interest, dividends, rents, certain non-active royalties and capital gains. Whether we will be a PFIC in 2014 or any future years is uncertain because (i) we currently own, and will own after the completion of this offering, a substantial amount of passive assets, including cash, and (ii) the valuation of our assets that generate non-passive income for PFIC purposes, including our intangible assets, is uncertain and may vary substantially over time. Accordingly, there can be no assurance that we will not be a PFIC in 2014 or any future years. If we are a PFIC for any year during which a U.S. Holder holds common shares, we generally would continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding years during which the U.S. Holder holds common shares, even if we ceased to meet the threshold requirements for PFIC status.

If we were a PFIC for any taxable year during which a U.S. Holder held common shares (assuming such U.S. Holder has not made a timely mark-to-market election, as described below), gain recognized by a U.S. Holder on a sale or other disposition (including certain pledges) of the common shares would be allocated ratably over the U.S. Holder's holding period for the common shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed on the amount allocated to that taxable year. Further, to the extent that any distribution received by a U.S. Holder on its common shares exceeds 125% of the average of the annual distributions on the common shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, described immediately above.

A U.S. Holder can avoid certain of the adverse rules described above by making a mark-to-market election with respect to its common shares, provided that the common shares are "marketable." Common shares will be marketable if they are "regularly traded" on a "qualified exchange" or other market within the meaning of applicable Treasury regulations. If a U.S. Holder makes the mark-to-market election, it generally will recognize as ordinary income any excess of the fair market value of the common shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the common shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, the holder's tax basis in the common shares will be adjusted to reflect the

income or loss amounts recognized. Any gain recognized on the sale or other disposition of common shares in a year when the Company is a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election).

In addition, in order to avoid the application of the foregoing rules, a United States person that owns stock in a PFIC for U.S. federal income tax purposes may make a "qualified electing fund" election (a "QEF Election") with respect to such PFIC if the PFIC provides the information necessary for such election to be made. If a United States person makes a QEF Election with respect to a PFIC, the United States person will be currently taxable on its pro rata share of the PFIC's ordinary earnings and net capital gain (at ordinary income and capital gain rates, respectively) for each taxable year that the entity is classified as a PFIC and will not be required to include such amounts in income when actually distributed by the PFIC. We do not intend to provide information necessary for U.S. Holders to make qualified electing fund elections.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the IRS.

UNDERWRITING

Subject to the terms and conditions set forth in the underwriting agreement, dated , 2014, between us and Jefferies LLC, 520 Madison Avenue, New York, New York 10022 and Leerink Partners LLC, 299 Park Avenue, 21st Floor, New York, NY 10171, as the representatives of the underwriters named below and the joint book-running managers of this offering, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the respective number of common shares shown opposite its name below:

UNDERWRITER	NUMBER OF COMMON SHARES
Jefferies LLC	
Leerink Partners LLC	
BMO Capital Markets Corp.	
Trout Capital LLC	
Total	

The underwriting agreement provides that the obligations of the several underwriters are subject to certain conditions precedent such as the receipt by the underwriters of officers' certificates and legal opinions and approval of certain legal matters by their counsel. The underwriting agreement provides that the underwriters will purchase all of the common shares if any of them are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated. We have agreed to indemnify the underwriters and certain of their controlling persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make in respect of those liabilities.

The underwriters have advised us that, following the completion of this offering, they currently intend to make a market in the common shares as permitted by applicable laws and regulations. However, the underwriters are not obligated to do so, and the underwriters may discontinue any market-making activities at any time without notice in their sole discretion. Accordingly, no assurance can be given as to the liquidity of the trading market for the common shares, that you will be able to sell any of the common shares held by you at a particular time or that the prices that you receive when you sell will be favorable.

The underwriters are offering the common shares subject to their acceptance of the common shares from us and subject to prior sale. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part. In addition, the underwriters have advised us that they do not intend to confirm sales to any account over which they exercise discretionary authority.

Commission and Expenses

The underwriters have advised us that they propose to offer the common shares to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers, which may include the underwriters, at that price less a concession not in excess of $ per common share. The underwriters may allow, and certain dealers may reallow, a discount from the concession not in excess of $ per common share to certain brokers and dealers. After the offering, the initial public offering price, concession and reallowance to dealers may be reduced by the representatives. No such reduction will change the amount of proceeds to be received by us as set forth on the cover page of this prospectus.

The following table shows the public offering price, the underwriting discounts and commissions that we are to pay the underwriters and the proceeds, before expenses, to us in connection with this offering. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional common shares.

	PER COMMON SHARE		TOTAL	
	WITHOUT OPTION TO PURCHASE ADDITIONAL COMMON SHARES	WITH OPTION TO PURCHASE ADDITIONAL COMMON SHARES	WITHOUT OPTION TO PURCHASE ADDITIONAL COMMON SHARES	WITH OPTION TO PURCHASE ADDITIONAL COMMON SHARES
Public offering price	$	$	$	$
Underwriting discounts and commissions	$	$	$	$
Proceeds to us, before expenses	$	$	$	$

We estimate expenses payable by us in connection with this offering, other than the underwriting discounts and commissions referred to above, will be approximately $. We also have agreed to reimburse the underwriters for up to $ for their FINRA counsel fee.

In connection with an advisory services agreement between the Company and Trout Group LLC ("Trout"), Trout will receive up to $ in fees and expenses from the Company. The agreement also grants Trout Capital LLC, an affiliate of Trout and an underwriter for this offering, the right to participate in future private offerings by the Company. In accordance with FINRA Rule 5110, the underwriters' reimbursed $ FINRA counsel fee, the $ in fees and reimbursed expenses received by Trout and the right granted to Trout Capital LLC, are deemed underwriting compensation for this offering.

Determination of Offering Price

Prior to this offering, there has not been a public market for our common shares. Consequently, the initial public offering price for our common shares will be determined by negotiations between us and the representatives. Among the factors to be considered in these negotiations will be prevailing market conditions, our financial information, market valuations of other companies that we and the underwriters believe to be comparable to us, estimates of our business potential, the present state of our development and other factors deemed relevant.

We offer no assurances that the initial public offering price will correspond to the price at which the common shares will trade in the public market subsequent to the offering or that an active trading market for the common shares will develop and continue after the offering.

Listing

We have applied to list our common shares on The NASDAQ Global Market under the trading symbol "AFMD."

Stamp Taxes

If you purchase common shares offered in this prospectus, you may be required to pay stamp taxes and other charges under the laws and practices of the country of purchase, in addition to the offering price listed on the cover page of this prospectus.

Option to Purchase Additional Common Shares

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase, from time to time, in whole or in part, up to an aggregate of common shares from us at the public offering price set forth on the cover page of this prospectus, less underwriting discounts and commissions. If the underwriters exercise this option, each underwriter will be obligated, subject to specified conditions, to purchase a number of additional common shares proportionate to that underwriter's initial purchase commitment as indicated in the table above. This option may be exercised only if the underwriters sell more common shares than the total number set forth on the cover page of this prospectus.

No Sales of Similar Securities

We, our officers, directors and holders of all or substantially all our outstanding share capital and other securities have agreed, subject to specified exceptions, not to directly or indirectly:

- sell, offer, contract or grant any option to sell (including any short sale), pledge, transfer, establish an open "put equivalent position" within the meaning of Rule 16a-l(h) under the Securities Exchange Act of 1934, as amended, or
- otherwise dispose of any share capital, options or warrants to acquire share capital, or securities exchangeable or exercisable for or convertible into share capital currently or hereafter owned either of record or beneficially, or
- publicly announce an intention to do any of the foregoing for a period of 180 days after the date of this prospectus without the prior written consent of Jefferies LLC and Leerink Partners LLC.

This restriction terminates after the close of trading of the common shares on and including the 180th day after the date of this prospectus.

Jefferies LLC and Leerink Partners LLC may, in their sole discretion and at any time or from time to time before the termination of the 180-day period release all or any portion of the securities subject to lock-up agreements. There are no existing agreements between the underwriters and any of our shareholders who will execute a lock-up agreement, providing consent to the sale of share capital prior to the expiration of the lock-up period.

Stabilization

The underwriters have advised us that they, pursuant to Regulation M under the Securities Exchange Act of 1934, as amended, certain persons participating in the offering may engage in short sale transactions, stabilizing transactions, syndicate covering transactions or the imposition of penalty bids in connection with this offering. These activities may have the effect of stabilizing or maintaining the market price of the common shares at a level above that which might otherwise prevail in the open market. Establishing short sales positions may involve either "covered" short sales or "naked" short sales.

"Covered" short sales are sales made in an amount not greater than the underwriters' option to purchase additional common shares in this offering. The underwriters may close out any covered short position by either exercising their option to purchase additional common shares or purchasing our common shares in the open market. In determining the source of common shares to close out the covered short position, the underwriters will consider, among other things, the price of common shares available for purchase in the open market as compared to the price at which they may purchase common shares through the option to purchase additional common shares.

"Naked" short sales are sales in excess of the option to purchase additional common shares. The underwriters must close out any naked short position by purchasing common shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common shares in the open market after pricing that could adversely affect investors who purchase in this offering.

A stabilizing bid is a bid for the purchase of common shares on behalf of the underwriters for the purpose of fixing or maintaining the price of the common shares. A syndicate covering transaction is the bid for or the purchase of common shares on behalf of the underwriters to reduce a short position incurred by the underwriters in connection with the offering. Similar to other purchase transactions, the underwriter's purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common shares or preventing or retarding a decline in the market price of our common shares. As a result, the price of our common shares may be higher than the price that might otherwise exist in the open market. A penalty bid is an arrangement permitting the underwriters to reclaim the selling concession otherwise accruing to a syndicate member in connection with the offering if the common shares originally sold by such syndicate member are purchased in a syndicate covering transaction and therefore have not been effectively placed by such syndicate member.

Neither we, nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common shares. The underwriters are not obligated to engage in these activities and, if commenced, any of the activities may be discontinued at any time.

The underwriters may also engage in passive market making transactions in our common shares on Nasdaq in accordance with Rule 103 of Regulation M during a period before the commencement of offers or sales of our common shares in this offering and extending through the completion of distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, that bid must then be lowered when specified purchase limits are exceeded.

Electronic Distribution

A prospectus in electronic format may be made available by e-mail or on the web sites or through online services maintained by one or more of the underwriters or their affiliates. In those cases, prospective investors may view offering terms online and may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of common shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' web sites and any information contained in any other web site maintained by any of the underwriters is not part of this prospectus, has not been approved and/or endorsed by us or the underwriters and should not be relied upon by investors.

Other Activities and Relationships

The underwriters and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and certain of their affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for us and our affiliates, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments issued by us and our affiliates. If the underwriters or their respective affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. The underwriters and their respective affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in

our securities or the securities of our affiliates, including potentially the common shares offered hereby. Any such short positions could adversely affect future trading prices of the common shares offered hereby. The underwriters and certain of their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

NOTICE TO INVESTORS

Australia

This prospectus is not a disclosure document for the purposes of Australia's Corporations Act 2001 (Cth) of Australia, or Corporations Act, has not been lodged with the Australian Securities & Investments Commission and is only directed to the categories of exempt persons set out below. Accordingly, if you receive this prospectus in Australia:

You confirm and warrant that you are either:

- a "sophisticated investor" under section 708(8)(a) or (b) of the Corporations Act;
- a "sophisticated investor" under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant's certificate to the company which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made; or
- a "professional investor" within the meaning of section 708(11)(a) or (b) of the Corporations Act.

To the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor or professional investor under the Corporations Act any offer made to you under this prospectus is void and incapable of acceptance.

You warrant and agree that you will not offer any of the shares issued to you pursuant to this prospectus for resale in Australia within 12 months of those securities being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive, each referred to herein as a Relevant Member State, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, referred to herein as the Relevant Implementation Date, no offer of any securities which are the subject of the offering contemplated by this prospectus has been or will be made to the public in that Relevant Member State other than any offer where a prospectus has been or will be published in relation to such securities that has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the relevant competent authority in that Relevant Member State in accordance with the Prospectus Directive, except that with effect from and including the Relevant Implementation Date, an offer of such securities may be made to the public in that Relevant Member State:

- to any legal entity which is a "qualified investor" as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives of the underwriters for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of securities shall require the Company or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending

Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Hong Kong

No securities have been offered or sold, and no securities may be offered or sold, in Hong Kong, by means of any document, other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent; or to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32) of Hong Kong. No document, invitation or advertisement relating to the securities has been issued or may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted under the securities laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

This prospectus has not been registered with the Registrar of Companies in Hong Kong. Accordingly, this prospectus may not be issued, circulated or distributed in Hong Kong, and the securities may not be offered for subscription to members of the public in Hong Kong. Each person acquiring the securities will be required, and is deemed by the acquisition of the securities, to confirm that he is aware of the restriction on offers of the securities described in this prospectus and the relevant offering documents and that he is not acquiring, and has not been offered any securities in circumstances that contravene any such restrictions.

Japan

The offering has not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948 of Japan, as amended), or FIEL, and the Initial Purchaser will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means, unless otherwise provided herein, any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This prospectus has not been and will not be lodged or registered with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or the invitation for subscription or purchase of the securities may not be issued, circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person as defined under Section 275(2), or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of any other applicable provision of the SFA.

Where the securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor as defined under Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the Offer Shares under Section 275 of the SFA except:

- to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than $200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions, specified in Section 275 of the SFA;
- where no consideration is given for the transfer; or
- where the transfer is by operation of law.

Switzerland

The securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the securities or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this prospectus nor any other offering or marketing material relating to the offering, the Company or the securities have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and the offer of securities will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, or FINMA, and the offer of securities has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of securities.

United Kingdom

This prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, referred to herein as the Order, and/or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated. Each such person is referred to herein as a Relevant Person.

This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this document or any of its contents.

EXPENSES OF THE OFFERING

We estimate that our expenses in connection with this offering, other than underwriting discounts and commissions, will be as follows:

EXPENSES	AMOUNT
U.S. Securities and Exchange Commission registration fee	$ 9,660
Stock exchange listing fee	125,000
FINRA filing fee	11,750
Printing and engraving expenses	
Legal fees and expenses	
Accounting fees and expenses	
Miscellaneous costs	
Total	

All amounts in the table are estimates except the U.S. Securities and Exchange Commission registration fee, the listing fee and the FINRA filing fee. The Company will pay all of the expenses of this offering.

LEGAL MATTERS

The validity of the common shares and certain other matters of Dutch law will be passed upon for us by De Brauw Blackstone Westbroek N.V. Certain matters of U.S. federal and New York State law will be passed upon for us by Davis Polk & Wardwell LLP, New York, New York. Covington & Burling LLP, New York, New York is U.S. federal and New York State law counsel for the underwriters in connection with this offering. Certain legal matters with respect to Dutch law in connection with this offering will be passed upon for the underwriters by Nauta Dutilh N.V.

EXPERTS

The statement of financial position of Affimed Therapeutics B.V. as of June 30, 2014 has been included herein in reliance upon the report of KPMG AG Wirtschaftsprüfungsgesellschaft, Leipzig, Germany, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

The consolidated financial statements of Affimed Therapeutics AG as of December 31, 2012 and 2013 and for each of the years in the two-year period ended December 31, 2013 have been included herein in reliance upon the report of KPMG AG Wirtschaftsprüfungsgesellschaft, Leipzig, Germany, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing. The audit report contains an explanatory paragraph that states that the Company's recurring losses and net capital deficiency raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of that uncertainty.

ENFORCEMENT OF JUDGMENTS

We are incorporated under the laws of the Netherlands and our headquarters are located in Germany. Substantially all of our assets are located outside the United States. The majority of our managing directors and supervisory directors reside outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or to enforce against them or us in U.S. courts, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

The United States and the Netherlands currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the party in whose favor a final and conclusive judgment of the U.S. court has been rendered will be required to file its claim with a court of competent jurisdiction in the Netherlands. Such party may submit to the Dutch court the final judgment rendered by the U.S. court. If and to the extent that the Dutch court finds that the jurisdiction of the U.S. court has been based on grounds which are internationally acceptable and that proper legal procedures have been observed, the court of the Netherlands will, in principle, give binding effect to the judgment of the U.S. court, unless such judgment contravenes principles of public policy of the Netherlands. Dutch courts may deny the recognition and enforcement of punitive damages or other awards. Moreover, a Dutch court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages. In addition, there is doubt as to whether a Dutch court would impose civil liability on us, our managing directors or supervisory directors or certain experts named herein in an original action predicated solely upon the U.S. federal securities laws brought in a court of competent jurisdiction in the Netherlands against us or such directors or experts, respectively. Enforcement and recognition of judgments of U.S. courts in the Netherlands are solely governed by the provisions of the Dutch Civil Procedure Code.

Dutch civil procedure differs substantially from U.S. civil procedure in a number of respects. Insofar as the production of evidence is concerned, U.S. law and the laws of several other jurisdictions based on common law provide for pre-trial discovery, a process by which parties to the proceedings may prior to trial compel the production of documents by adverse or third parties and the deposition of witnesses. Evidence obtained in this manner may be decisive in the outcome of any proceeding. No such pre-trial discovery process exists under Dutch law.

The United States and Germany currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in Germany. German courts may deny the recognition and enforcement of a judgment rendered by a U.S. court if they consider the U.S. court not to be competent or the decision not in line with German public policy principles. For example, recognition of court decisions based on class actions brought in the United States typically raises public policy concerns and judgments awarding punitive damages are generally not enforceable in Germany.

In addition, actions brought in a German court against us, our managing directors or supervisory directors, our senior management and the experts named herein to enforce liabilities based on U.S. federal securities laws may be subject to certain restrictions. In particular, German courts generally do not award punitive damages. Litigation in Germany is also subject to rules of procedure that differ from the U.S. rules, including with respect to the taking and admissibility of evidence, the conduct of the proceedings and the allocation of costs. Proceedings in Germany would have to be conducted in the German language and all documents submitted to the court would, in principle, have to be translated into German. For these reasons, it may be difficult for a U.S. investor to bring an original action in a German court predicated upon the civil liability provisions of the U.S. federal securities laws against us, our managing directors or supervisory directors, our senior management and the experts named in this prospectus.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the U.S. Securities and Exchange Commission a registration statement (including amendments and exhibits to the registration statement) on Form F-1 under the Securities Act. This prospectus, which is part of the registration statement, does not contain all of the information set forth in the registration statement and the exhibits and schedules to the registration statement. For further information, we refer you to the registration statement and the exhibits and schedules filed as part of the registration statement. If a document has been filed as an exhibit to the registration statement, we refer you to the copy of the document that has been filed. Each statement in this prospectus relating to a document filed as an exhibit is qualified in all respects by the filed exhibit.

Upon completion of this offering, we will become subject to the informational requirements of the Exchange Act. Accordingly, we will be required to file reports and other information with the SEC, including annual reports on Form 20-F and reports on Form 6-K. We will file a Form 20-F annual report with the SEC within four months following the end of our fiscal year. You may inspect and copy reports and other information filed with the SEC at the Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our managing directors and supervisory directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we will not be required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act.

We will send the transfer agent a copy of all notices of shareholders' meetings and other reports, communications and information that are made generally available to shareholders that are not made available on the SEC's website. The transfer agent has agreed to mail to all shareholders a notice containing the information (or a summary of the information) contained in any notice of a meeting of our shareholders received by the transfer agent and will make available to all shareholders such notices and all such other reports and communications received by the transfer agent.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Management Board of
Affimed Therapeutics B.V.:

We have audited the accompanying statement of financial position of Affimed Therapeutics B.V. (the Company) as of June 30, 2014. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial position is free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial position, assessing the accounting principles used and significant estimates made by management, and evaluating the overall presentation of the statement of financial position. We believe that our audit of the statement of financial position provides a reasonable basis for our opinion.

In our opinion, the statement of financial position referred to above presents fairly, in all material respects, the financial position of Affimed Therapeutics B.V. as of June 30, 2014, in conformity with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

/s/ KPMG AG
Wirtschaftsprüfungsgesellschaft

Leipzig, Germany
August 18, 2014

AFFIMED THERAPEUTICS B.V.

Statement of Financial Position
(in €)

	NOTE	JUNE 30, 2014
ASSETS		
Current assets		
Other receivables	3	0.01
Total current assets		**0.01**
TOTAL ASSETS		**0.01**
EQUITY		
Equity		
Issued capital	3	0.01
Total equity		**0.01**
TOTAL EQUITY		**0.01**

The Notes are an integral part of this financial statement.

AFFIMED THERAPEUTICS B.V.,

Notes to the financial statements
(in €)

1. Reporting entity

Affimed Therapeutics B.V. (in the following Affimed or Company) is a Dutch private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) that was formed for the purpose of a corporate reorganization of Affimed Therapeutics AG (the predecessor) in preparation for an initial public offering. Upon the formation of Affimed Therapeutics B.V., Stichting Affimed Therapeutics, a Dutch foundation established for this purpose, became the sole shareholder of Affimed Therapeutics B.V., holding one common share in the capital of Affimed Therapeutics B.V. Pursuant to the terms of a corporate reorganization that will be completed prior to the consummation of the offering, all of the interests in Affimed Therapeutics AG will be exchanged for newly issued common shares of Affimed Therapeutics B.V., and as a result, Affimed Therapeutics AG will become a wholly owned subsidiary of Affimed Therapeutics B.V. In connection with such exchange, the common share in Affimed Therapeutics B.V. held by Stichting Affimed Therapeutics will be cancelled. Subsequently, Affimed intends to convert its legal form under Dutch law from a private company with limited liability to a public company with limited liability (*naamloze vennootschap*) and to change its name from Affimed Therapeutics B.V. to Affimed N.V.

Affimed was founded on May 14, 2014 and has its corporate seat in Amsterdam, the Netherlands. This financial statement is prepared as of June 30, 2014.

2. Basis of preparation—financial statement

Statement of compliance

This financial statement has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

This financial statement was authorized for issuance by the management board on August 18, 2014.

Omission of statements of comprehensive loss, cash-flow and changes in equity

To this date, the Company has not commenced any activities other than those incident to its formation and the contemplated corporate reorganization. As of June 30, 2014 Affimed was not capitalized. Accordingly, statements of comprehensive loss, cash-flow and changes in equity have been omitted.

3. Equity

The Company has issued one share to its sole shareholder for a nominal amount of €0.01. Affimed is not yet capitalized. As of its incorporation, the Company had an irrevocable claim against its sole shareholder Stichting Affimed Therapeutics to pay-up the nominal capital on the share.

4. Formation expenses

On August 15, 2014, Anne Burger UG, Pullach, Germany, provided a credit line of up to € 130,000 to the Company to provide liquidity to fund the cost of its formation and consummate the corporate reorganization. Any drawings under the credit line will be due at the later of one month after the consummation of an initial public offering or March 31, 2015.

AFFIMED THERAPEUTICS AG

Condensed consolidated statement of financial position
(in € thousand)

	NOTE	DECEMBER 31, 2013	JUNE 30, 2014 (UNAUDITED)
ASSETS			
Non-current assets			
Intangible assets		158	116
Leasehold improvements and equipment		1,034	907
Deferred tax assets		16	45
		1,208	1,068
Current assets			
Inventories		140	173
Trade and other receivables		1,001	1,469
Cash and cash equivalents		4,151	1,800
		5,292	3,442
TOTAL ASSETS		**6,500**	**4,510**
EQUITY AND LIABILITIES			
Equity			
Issued capital		63	63
Capital reserves		469	469
Accumulated deficit		(99,730)	(102,022)
Own shares		(25)	(25)
Total equity		(99,223)	(101,515)
Non current liabilities			
Preferred Shares	5	77,945	80,286
Cash settled share based payments	6	12,838	10,249
Total non-current liabilities		**90,783**	**90,535**
Current liabilities			
Derivative conversion feature	7	6,196	3,687
Trade payables		3,862	3,404
Borrowings	7	4,800	5,153
Advances on Preferred Shares	2, 7	0	1,188
Deferred revenue	4	82	2,058
Total current liabilities		**14,940**	**15,490**
TOTAL EQUITY AND LIABILITIES		**6,500**	**4,510**

The Notes are an integral part of these consolidated financial statements.

AFFIMED THERAPEUTICS AG

Unaudited condensed consolidated statement of comprehensive income/(loss)
(in € thousand)

	NOTE	FOR THE THREE MONTHS ENDED JUNE 30, 2013	FOR THE THREE MONTHS ENDED JUNE 30, 2014	FOR THE SIX MONTHS ENDED JUNE 30, 2013	FOR THE SIX MONTHS ENDED JUNE 30, 2014
Revenue	**4**	**201**	**687**	**271**	**1,409**
Other income/(expenses)—net		166	68	350	113
Research and development expenses	3	(4,227)	2,059	(6,123)	(3,287)
General and administrative expenses	3	(1,502)	4,384	(2,425)	(351)
Operating income/(loss)		**(5,362)**	**7,198**	**(7,927)**	**(2,116)**
Finance costs—net	**5,7**	**(2,979)**	**6,197**	**(4,074)**	**(204)**
Income/(Loss) before tax		**(8,341)**	**13,395**	**(12,001)**	**(2,320)**
Income taxes		**(13)**	**(41)**	**2**	**28**
Income/(Loss) for the period		**(8,354)**	**13,354**	**(11,999)**	**(2,292)**
Total comprehensive income/(loss)		**(8,354)**	**13,354**	**(11,999)**	**(2,292)**
Earnings/(Loss) per share in € per share		**(131.93)**	**210.89**	**(189.49)**	**(36.20)**

The Notes are an integral part of these consolidated financial statements.

AFFIMED THERAPEUTICS AG

Unaudited condensed consolidated statement of cash flows
(in € thousand)

	NOTE	FOR THE SIX MONTHS ENDED JUNE 30, 2013	2014
Cash flow from operating activities			
Loss for the period		(11,999)	(2,292)
Adjustments for the period:			
—Income taxes		(2)	(28)
—Depreciation and amortisation		202	211
—Non-cash items		2,696	(2,589)
—Finance costs—net	5, 7	4,074	204
		(5,029)	(4,494)
Change in trade and other receivables		(423)	(468)
Change in inventories		1	(33)
Change in trade and other payables		(732)	1,518
Cash generated from operating activities		(6,183)	(3,477)
Paid interest		0	(20)
Net cash used in operating activities		**(6,183)**	**(3,497)**
Cash flow from investing activities			
Purchase of intangible assets		(15)	(23)
Purchase of leasehold improvements and equipment		(113)	(19)
Net cash used for investing activities		**(128)**	**(42)**
Cash flow from financing activities			
Proceeds from advance payments for preferred shares	2	0	1,188
Proceeds from convertible debt		2,210	0
Transactions costs related to convertible debt		(5)	0
Cash flow from financing activities		**2,205**	**1,188**
Net changes to cash and cash equivalents		**(4,106)**	**(2,351)**
Cash and cash equivalents at the beginning of the period		**4,902**	**4,151**
Cash and cash equivalents at the end of the period		**796**	**1,800**

The Notes are an integral part of these consolidated financial statements.

AFFIMED THERAPEUTICS AG

Unaudited condensed consolidated statement of changes in equity
(in € thousand)

	ISSUED CAPITAL	CAPITAL RESERVES	OWN SHARES	ACCUMULATED DEFICIT	TOTAL EQUITY
Balance as of January 1, 2013	**63**	**469**	**(25)**	**(73,631)**	**(73,124)**
Loss for the period				(11,999)	(11,999)
Balance as of June 30, 2013	**63**	**469**	**(25)**	**(85,630)**	**(85,123)**
Balance as of January 1, 2014	**63**	**469**	**(25)**	**(99,730)**	**(99,223)**
Loss for the period				(2,292)	(2,292)
Balance as of June 30, 2014	**63**	**469**	**(25)**	**(102,022)**	**(101,515)**

The Notes are an integral part of these consolidated financial statements.

AFFIMED THERAPEUTICS AG

Notes to the unaudited interim condensed consolidated financial statements
(in € thousand)

1. Reporting entity

Affimed Therapeutics AG (in the following Affimed or Company) is a company domiciled in Heidelberg, Germany. The address of Affimed's registered office is Im Neuenheimer Feld 582, 62190 Heidelberg, Germany. The Company is a clinical-stage biopharmaceutical company focused on discovering and developing targeted cancer immunotherapies. The Company's product candidates are developed in the field of immune-oncology, which represents an innovative approach to cancer research that seeks to harness the body's own immune system to fight tumor cells. The Company has own research and development programs and collaborations, where the Company is performing research services for third parties.

The condensed consolidated interim financial statements (interim financial statements) of Affimed comprise the Company and its fully owned and controlled subsidiary AbCheck s.r.o., Plzen, Czech Republic (in the following AbCheck and together the Group).

2. Basis of preparation – going concern assumption

The accompanying interim financial statements have been prepared on the basis that the Company and the Group will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Group's ability to continue as a going concern is dependent on its ability to raise additional funds to continue its research and development programs and meet its obligations.

As a clinical stage biopharmaceutical the Group has suffered operating losses since inception. For the six months ended June 30, 2014, the Group incurred a net loss of €2.3 million and as of June 30, 2014 the Group had generated an accumulated deficit of €102.0 million. The Group anticipates operating losses to continue for the foreseeable future due to, among other things, costs related to research funding, development of its product candidates and its preclinical programs, strategic alliances and the development of its administrative organization.

In the past the Company raised significant funds of €65.6 million from its shareholders through the issuance of its common shares, preferred shares and convertible loans. The preferred shares and the convertible loans are classified as liabilities in the consolidated statement of financial position (see notes 5 and 7).

In accordance with the budget, approved by the supervisory board, the cash requirements include additional funds of €11.0 million to fund the Company's operations and further financing in the event that an initial public offering (IPO) cannot be consummated.

On June 24, 2014, the Company entered into an investment agreement with certain shareholders pursuant to which (i) the holders of the convertible loan agreed to contribute the principal amount of €5.1 million plus accrued interest thereon in exchange for Series E preferred shares and (ii) the shareholders agreed to invest €2.9 million in cash in exchange for new Series E preferred shares. In addition, a commitment to fund another €3.5 million at a later stage was provided. In the three months ended June 30, 2014, advance payments of €1.2 million were made by certain shareholders and are presented as Advances on preferred shares on the statement of financial position. On July 14, 2014, the shareholder meeting approved the issuance of the preferred shares and the preferred shares were issued on July 31, 2014.

On July 28, 2014 the Company entered into an agreement with an investor for a debt facility of up to $14.0 million for four years comprising of a tranche of $5.5 million available on closing date and a second tranche of up to an additional $8.5 million available from November 1, 2014. Repayment of the first tranche will start in April 2016 in monthly installments of $200, and the final balance is due in August 2018. In

addition, the Company is obligated to grant the lender warrants with a notional amount of up to $2.38 million ($935 related to the initial draw under the facility and $1,445 if a subsequent draw is made under the facility) convertible into common shares at a price equal to the conversion price of the preferred E series.

The future financing which the going concern assumption is based on considers management's expectation to consummate an IPO in the foreseeable future. Based on management's going concern assumption, the interim financial statements do not include any adjustments that may result from the outcome of this uncertainty.

3. Basis of preparation and changes to Group's accounting policies

Statement of compliance

The interim financial statements for the six months ended June 30, 2014 and 2013 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements do not include all the information and disclosure required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as of December 31, 2013.

The interim financial statements were authorized for issuance by the management board on August 14, 2014.

Critical judgments and accounting estimates

The preparation of the interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In preparing these interim financial statements, the critical judgments made by management in applying the Group's accounting policies resulted in the changes in accounting estimates for share-based compensation and the fair value of the derivative conversion feature in the second quarter of 2014:

For the purposes of the consolidated financial statements as of December 31, 2013 and March 31, 2014, the fair value of preferred shares was estimated by an income approach based on a discounted cash flow model using a weighted average cost of capital. For these interim financial statements as of June 30, 2014, the Company used an estimated valuation for an IPO and the terms of a contemplated exchange of preferred shares into common shares. The Company considers this valuation and the contemplated terms of exchange to be more reliable evidence of fair value of the preferred shares.

As of June 30, 2014, the fair value of all Series D preferred shares is estimated at €118.1 million (December 31, 2013: €158.7 million).

The Company operates share-based compensation plans pursuant to which certain participants are granted options to receive payments or the right to cash payments based on the fair value of the Company in certain specified contingent events. The liability for the cash-settled awards at each balance sheet date is determined by reference to the estimated fair value of preferred shares, the expense is accrued over the vesting period.

AFFIMED THERAPEUTICS AG

Notes to the unaudited interim condensed consolidated financial statements
(in € thousand)

The change in accounting estimates related to determination of fair value of preferred shares resulted in a decrease in the carrying amount of the liability for share-based payments as of June 30, 2014 to €10,249. The effect of the change in the accounting estimate compared with March 31, 2014 amounting to €10,171 is recognized as a credit to research and development expenses (€4,352) and general and administrative expenses (€5,819) in the three months ended June 30, 2014.

In addition, the decrease in the fair value of the preferred shares also resulted in a gain of €7,720 related to the fair value measurement of the derivative conversion feature embedded in the convertible loan. The change in the accounting estimate resulted in a carrying amount of €3,687 as of June 30, 2014. The gain is recognized as finance income in the three months ended June 30, 2014.

Except for these changes in estimates described above, the critical judgments made by management in applying the Group's accounting policies and the key accounting estimates were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2013.

Functional and presentation currency

These interim financial statements are presented in euro, which is Affimed's and AbCheck's functional currency. All financial information presented in euro has been rounded to the nearest thousand (abbreviated € or $) or million (abbreviated € million or $ million).

Significant accounting policies

The accounting policies applied by the Group in these interim financial statements are the same as those applied by the Group in its consolidated financial statements as of and for the year ended December 31, 2013 with the exception of new amendments to standards and new or amended interpretations applied for the first time as described below.

New standards and interpretations applied for the first time

The following amendments to standards and new or amended interpretations are effective for periods ending on or before June 30, 2014, and have been applied in preparing these interim financial statements.

STANDARD/INTERPRETATION	EFFECTIVE DATE[1]
Amendments to IFRS 10, 12, IAS 27, Investment Entities	January 1, 2014
Amendments to IAS 36, Recoverable Amount Disclosures for Non-Financial Assets	January 1, 2014
Amendment to IAS 32 Offsetting Financial Assets and Liabilities	January 1, 2014
IFRS 15 Revenue from Contracts with Customers	January 1, 2017
IFRS 9 Financial Instruments (2014)	January 1, 2018

1 Shall apply for periods beginning on or after shown in the effective date column.

None of these amendments to standards and new or amended interpretations had an effect on the interim financial statements of the Group.

4. Revenue

Collaboration agreement with Amphivena

Affimed is party to a collaboration with Amphivena Therapeutics Inc., San Francisco, USA ("Amphivena") to develop a product candidate for hematologic malignancies. The collaboration consists of a series of linked transactions which in substance are a research and development collaboration.

AFFIMED THERAPEUTICS AG

Notes to the unaudited interim condensed consolidated financial statements
(in € thousand)

Amphivena is a structured entity with one project and uses the funding it receives from investors (which include Affimed) and Janssen Biotech Inc., Horsham, USA (in the following Janssen) to pay Affimed for its research and development services. Once approval of an investigational new drug application (IND) for the product candidate is obtained, Janssen has an option to acquire Amphivena on predetermined terms and the investors could receive further payments.

The relevant linked agreements consist of:

- a license and development agreement between Affimed and Amphivena,
- a stock purchase agreement between Amphivena, its investors (which include Affimed) for purposes of financing Amphivena, and
- a warrant agreement between Amphivena and Janssen for purposes of financing Amphivena and providing Janssen the option to acquire the results of the research and development activities through an acquisition of Amphivena following IND approval.

Pursuant to the license and development agreement between Affimed and Amphivena, Affimed grants a license to intellectual property and agreed to perform certain services for Amphivena related to the development of a product candidate for hematological malignancies. In consideration for the research and development work to be performed, Amphivena could be required to pay to Affimed service fees totaling approximately €16.0 million payable according to the achievement of milestones and phase progressions as described under the license and development agreement. Affimed recognized revenue of €4.4 million in the third quarter of 2013 upon achievement of the first milestone consisting of the earned milestone payment of €4.6 million less Affimed's share in funding Amphivena in 2013 of €0.2 million. An advance payment of €2.0 million for research and development services was collected in the first quarter of 2014 prior to achievement of the second milestone and deferred as of June 30, 2014; the payment will be recognized as revenue upon achievement of the second milestone, net of Affimed's share in funding Amphivena of €0.2 million.

Collaboration agreement with LLS

Affimed is party to a collaboration with the Leukemia and Lymphoma Society (LLS) to fund the development of a specific TandAb. Under the terms of the agreement, LLS has agreed to contribute up to $4.4 million contingent upon the achievement of certain milestones.

In the event that the research and development is successful, Affimed must proceed with commercialization of the licensed product. If Affimed decides for business reasons to not continue the commercialization, Affimed must at its option either repay the amount funded or grant a license to LLS to enable LLS to continue with the development program. In addition, LLS is entitled to receive royalties from Affimed based on the Group's future revenue from any licensed product, with the amount of royalties not to exceed three times the amount funded (€13.2 million).

The Company achieved milestones in January 2014 and April 2014 and received related payments of $1.5 million (€1.2 million) in total for research and development services. €0.6 million of the milestone payments was recognized as revenue in the three months ended March 31, 2014 for the first milestone and €0.6 million was recognized in the three months ended June 30, 2014.

AFFIMED THERAPEUTICS AG

Notes to the unaudited interim condensed consolidated financial statements
(in € thousand)

5. Preferred shares

Preferred shares are a class of stock of the Company and convey voting rights to their holders. They do not contain a conversion or redemption feature. The Series D preference shares are the only class of preferred shares outstanding as of June 30, 2014 and December 31, 2013. Interest costs of €2,341 have been recognized in profit or loss in the six months ended June 30, 2014 (six months ended June 30, 2013: €2,206). In the three months ended June 30, 2014 interest costs of €1,180 have been recognized (three months ended June 30, 2013: €1,111).

6. Share based payments

The Company has granted share-based payment awards to its managing directors, supervisory directors and consultants pursuant to two incentive plans: (i) the ESOP 2007 Plan grants options to acquire preferred shares at the issue price of €30.89 per Series D preferred share after vesting but during the contractually agreed ten year life of the award and (ii) the carve-out plan grants the right to receive a cash payment equal to a certain percentage of the fair value of the Company contingent upon the occurrence of a defined exit event. The awards pursuant to both share-based incentive plans are accounted for as cash settled.

The liabilities for share-based payment awards relate to the two arrangements as follows:

	DECEMBER 31, 2013	JUNE 30, 2014
Total carrying amount of liability		
ESOP 2007	3,648	1,181
Carve-out plan	9,190	9,068
	12,838	10,249

The fair values at the measurement dates of the ESOP 2007 awards are derived from the fair value of the preferred shares, less the strike price. The fair value of the carve-out plan awards is based on the value of the Company as a whole that is determined in connection with the determination of the fair value of the preferred shares (see notes 3 and 5).

The change in accounting estimate related to the preferred shares resulted in a reduction of the carrying amount of the liability for share-based payments awards. A change in accounting estimate effect amounting to €10,171 was recognized in the three months ended June 30, 2014. In the three months ended June 30, 2013 a compensation expense of €1,697 was recognized.

7. Borrowings

On June 28, 2013, several shareholders granted the Company a €5.1 million loan bearing a 2% interest rate. Interest costs of €353 have been recognized in profit or loss in the six months ended June 30, 2014 (six months ended June 30, 2013: €5). Interest costs of €177 have been recognized in profit or loss in the three months ended June 30, 2014 (three months ended June 30, 2013: €5). As of June 30, 2014 the carrying amount of the loan is €5.2 million.

According to the June 28, 2013 agreement, the loan in its entirety or a portion of the outstanding balance was convertible into Series D preferred shares or the highest preferred share class at the option of the holders

AFFIMED THERAPEUTICS AG

Notes to the unaudited interim condensed consolidated financial statements
(in € thousand)

at a fixed share price of € 30.89. On June 23, 2014, the investors and the Company agreed to a conversion of the loan into Series E preferred shares. The convertible loan was derecognized subsequently upon the issuance of the Series E preferred shares on July 31, 2014.

For the three months ended June 30, 2014, income in an amount of €7,720 was recognized in finance income for changes in the fair value of the embedded derivative conversion feature. The fair value of €3.687 was determined with reference to the fair value of the preferred shares (see notes 3 and 5).

8. Related parties

Affimed currently has eleven shareholders, including two that hold more than 20% of the voting rights provided by common and preferred shares. For the six months ended June 30, 2014, accreted interest for preferred shares of €1,421 (six months ended June 30, 2013: €1,339), respectively €716 for the three months ended June 30, 2014 (three months ended June 30, 2013: €674) relates to these two shareholders. As of June 30, 2014, the carrying amount of preferred shares held by these two shareholders is €48.7 million (December 31, 2013: €47.3 million).

The following table provides the transaction amounts and outstanding balances for consulting fees and travel allowances related to key management personnel.

	TRANSACTION VOLUMES				OUTSTANDING BALANCES	
	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,			
	2013	2014	2013	2014	DECEMBER 31, 2013	JUNE 30, 2014
Dr. Adolf Hoess	58	58	115	115	16	7
MedVenture Partners GmbH (Dr. Florian Fischer)	42	42	84	84	17	0
Hecht Healthcare Consulting (Dr. Thomas Hecht)	17	17	33	33	5	8
BioPharma Consulting Services LLC (Dr. Richard Stead)	9	9	17	17	10	13

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Supervisory Board of Affimed Therapeutics AG:

We have audited the accompanying consolidated statements of financial position of Affimed Therapeutics AG and subsidiary (the Company) as of December 31, 2013 and 2012, and the related consolidated statements of comprehensive loss, changes in equity and cash flows for each of the years in the two-year period ended December 31, 2013. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Affimed Therapeutics AG at December 31, 2013 and 2012, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2013, in conformity with International Financial Reporting standards, as issued by the International Accounting Standards Board.

The consolidated financial statements referred to above have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ KPMG AG
Wirtschaftsprüfungsgesellschaft

Leipzig, Germany
May 23, 2014

AFFIMED THERAPEUTICS AG

Consolidated Statement of Financial Position
(in € thousand)

	NOTE	DECEMBER 31, 2012	DECEMBER 31, 2013
ASSETS			
Non-current assets			
Intangible assets	*13*	260	158
Leasehold improvements and equipment	*14*	1,225	1,034
Deferred tax assets	*12*	15	16
Total non-current assets		**1,500**	**1,208**
Current assets			
Inventories	*15*	121	140
Trade and other receivables	*16*	668	1,001
Cash and cash equivalents	*17*	4,902	4,151
Total current assets		**5,691**	**5,292**
TOTAL ASSETS		**7,191**	**6,500**
EQUITY AND LIABILITIES			
Equity			
Issued capital		63	63
Capital reserves		469	469
Accumulated deficit		(73,631)	(99,730)
Own shares		(25)	(25)
Total equity	*18*	**(73,124)**	**(99,223)**
Non current liabilities			
Preferred Shares	*19*	73,467	77,945
Cash settled share based payments	*20*	4,784	12,838
Total non-current liabilities		**78,251**	**90,783**
Current liabilities			
Derivative conversion feature	*22*	0	6,196
Trade and other payables	*21*	1,990	3,862
Borrowings	*22*	0	4,800
Deferred revenue	*6*	74	82
Total current liabilities		**2,064**	**14,940**
TOTAL EQUITY AND LIABILITIES		**7,191**	**6,500**

The notes are an integral part of these consolidated financial statements.

AFFIMED THERAPEUTICS AG

Consolidated Statement of Comprehensive Loss
(in € thousand)

	NOTE	2012	2013
Revenue	*6*	**1,173**	**5,087**
Other income/(expenses)—net	*7*	206	610
Research and development expenses	*8*	(8,726)	(14,354)
General and administrative expenses	*9*	(3,050)	(7,046)
Operating loss		**(10,397)**	**(15,703)**
Finance income	*11*	7	9
Finance costs	*11*	(3,933)	(10,406)
Finance costs—net		**(3,926)**	**(10,397)**
Loss before tax		**(14,323)**	**(26,100)**
Income taxes	*12*	9	1
Loss for the period		**(14,314)**	**(26,099)**
Other comprehensive income		0	0
Total comprehensive loss		**(14,314)**	**(26,099)**
Loss per share in € per share	*23*	**(226.05)**	**(412.16)**

The notes are an integral part of these consolidated financial statements.

AFFIMED THERAPEUTICS AG

Consolidated Statement of Cash Flows
(in € thousand)

	NOTE	2012	2013
Cash flow from operating activities			
Loss for the period		(14,314)	(26,099)
Adjustments for the period:			
—Income taxes	*12*	(9)	(1)
—Depreciation and amortisation	*13, 14*	408	427
—Loss from disposal of leasehold improvements and equipment	*13, 14*	0	24
—Non-cash items	*20*	1,918	8,054
—Finance costs—net	*11*	3,926	10,397
		(8,071)	(7,198)
Change in trade and other receivables	*16*	267	(333)
Change in inventories	*15*	(44)	(20)
Change in trade and other payables and deferred revenue	*21*	(798)	1,880
Cash generated from operating activities		(8,646)	(5,671)
Interest received		7	9
Paid interest		(6)	(16)
Net cash used in operating activities		**(8,645)**	**(5,678)**
Cash flow from investing activities			
Purchase of intangible assets	*13*	(6)	(23)
Purchase of leasehold improvements and equipment	*14*	(29)	(139)
Proceeds from sale of equipment	*14*	0	5
Net cash used for investing activities		**(35)**	**(157)**
Cash flow from financing activities			
Proceeds from issuance of preferred shares	*19*	5,417	0
Proceeds from convertible debt	*22*	4,450	5,100
Transactions costs related to preferred shares and convertible debt		(31)	(16)
Issuance of advances to related parties	*25*	0	(254)
Proceeds from repayment of advances from related parties	*25*	0	254
Net cash generated from financing activities		**9,836**	**5,084**
Net changes to cash and cash equivalents		**1,156**	**(751)**
Cash and cash equivalents at the beginning of the year		**3,746**	**4,902**
Cash and cash equivalents at the end of the year	*17*	**4,902**	**4,151**

The notes are an integral part of these consolidated financial statements.

AFFIMED THERAPEUTICS AG

Consolidated Statement of Changes in Equity
(in € thousand)

	NOTE	ISSUED CAPITAL	CAPITAL RESERVES	OWN SHARES	ACCUMULATED DEFICIT	TOTAL EQUITY
Balance as of January 1, 2012		**63**	**469**	**(25)**	**(59,317)**	**(58,811)**
Loss for the period					(14,314)	(14,314)
Balance as of December 31, 2012		**63**	**469**	**(25)**	**(73,631)**	**(73,124)**
Balance as of January 1, 2013		**63**	**469**	**(25)**	**(73,631)**	**(73,124)**
Loss for the period					(26,099)	(26,099)
Balance as of December 31, 2013	*18*	**63**	**469**	**(25)**	**(99,730)**	**(99,223)**

The notes are an integral part of these consolidated financial statements.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

1. Reporting entity

Affimed Therapeutics AG (in the following Affimed or the Company) is a company domiciled in Heidelberg, Germany. The address of Affimed's registered office is Im Neuenheimer Feld 582, 62190 Heidelberg, Germany. The Company is a clinical-stage biopharmaceutical company focused on discovering and developing targeted cancer immunotherapies. The Company's product candidates are developed in the field of immuno-oncology, which represents an innovative approach to cancer research that seeks to harness the body's own immune system to fight tumor cells. The Company has own research and development programs and collaborations, where the Company is performing research services for third parties.

The consolidated financial statements of Affimed as at and for the years ended December 31, 2012 and 2013 comprise the Company and its fully owned and controlled subsidiary AbCheck s.r.o., Plzen, Czech Republic (in the following AbCheck and together the Group).

2. Basis of preparation—going concern assumption

The accompanying consolidated financial statements have been prepared on the basis that the Company and the Group will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Group's ability to continue as a going concern is dependent on its ability to raise additional funds to continue its research and development programs and meet its obligations.

As a clinical stage biopharmaceutical the Group has suffered operating losses since inception. For the year 2013, the Group incurred a net loss of €26.1 million and as of December 31, 2013 the Group had generated an accumulated deficit of €99.7 million. The Group anticipates operating losses to continue for the foreseeable future due to, among other things, costs related to research funding, development of its product candidates and its preclinical programs, strategic alliances and the development of its administrative organization. The Group will be required to raise additional funds, alternative means of financial support, or both, prior to July 1, 2014 in order to continue its operations.

In the past the Company raised significant funds of €64.4 million from its shareholders through the issuance of its common shares, preferred shares and convertible loans. The preferred shares and the convertible loans are classified as liabilities in the consolidated statement of financial position (see notes 19 and 22).

In accordance with the budget, approved by the supervisory board, the cash requirements include additional funds of €11.0 million to fund the Company's operations and further financing in case an initial public offering (IPO) cannot be consummated. In addition, convertible loans of €5.1 million have to be repaid on July 31, 2014 unless the holders elect to convert the loans into preferred shares.

Management expects to receive the required funds through additional borrowings from its shareholders and a loan from a third party lender and that the conversion of the borrowings into preferred shares will be elected by the shareholders who hold the convertible debt instruments. The future financing on which the going concern assumption is based on considers management's expectation to raise additional funds prior to July 1, 2014 and thereafter either obtain additional funds, if needed, or consummate an IPO in the foreseeable future. Based on management's going concern assumption the consolidated financial statements do not include any adjustments that may result from the outcome of these uncertainties.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

3. Basis of preparation—consolidated financial statements

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

The consolidated financial statements were authorized for issuance by the management board on May 23, 2014.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the liability for share-based payments and embedded derivatives in convertible loans that are measured at accreted fair value as required by IFRS. The Group did not opt for a valuation of liabilities at fair value through profit or loss.

Consolidation

The Company controls an entity when the Company has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A subsidiary is consolidated from the date on which control is transferred to the Company. It is de-consolidated from the date control ceases.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated.

Functional and presentation currency

These consolidated financial statements are presented in euro, which is Affimed's and AbCheck's functional currency. All financial information presented in euro has been rounded to the nearest thousand (abbreviated €) or million (abbreviated € million).

Presentation of consolidated statement of comprehensive loss

The line items include revenue, research and development expenses and general and administrative expenses. Cost of sales and gross profit are not meaningful measures for Affimed as a clinical-stage biopharmaceutical company with a focus on research and development activities. All expenses with regards to own research and development and collaboration and research service agreements are presented in research and development expenses.

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Current and non-current distinction

Affimed presents current and non-current assets, and current and non-current liabilities as separate classifications in the statement of financial position. Affimed classifies all amounts expected to be recovered or settled within twelve months after the reporting period as current and all other amounts as non-current.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

Foreign currency transactions

Transactions in foreign currencies are translated to euro at exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to euro at the exchange rate at the reporting date.

The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period. Foreign currency differences arising on translation are recognized in profit or loss.

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.

Notes to the cash flow statement

The cash flow statement has been prepared using the indirect method for cash flows from operating activities. The cash disclosed in the cash flow statement is comprised of cash and cash equivalents. Cash comprises cash on hand and demand deposits. Cash equivalents are short-term bank deposits and are not subject to a significant risk of changes in value. Interest paid and received is included in the cash from operating activities.

Revenue recognition

The Group licenses its intellectual property to third parties that use the intellectual property to develop product candidates and provides related research and development services to those parties or provides research services based on intellectual property provided by the customer for those services. The research services are performed on a “best efforts” basis without a guarantee of technological or commercial success.

Collaboration and license agreements are evaluated to determine whether they involve multiple elements that can be considered separate units of accounting. To date, the Group has not licensed or sold its intellectual property without continuing involvement by providing the related research and development services. Accordingly, the deliverables under the Group’s collaboration and license agreements have not qualified as separate units of accounting.

Revenue from collaborative or other research service agreements is recognized according to the stage of completion.

Non-refundable upfront licensing fees, research funding or technology access fees that have generally no stand-alone value to the customer and require continuing involvement in the form of research and development services or other efforts by the Group are recognized as revenue over the term of the service agreement which is the period of performance.

Milestone payments are contingent upon the achievement of contractually stipulated targets. The achievement of these milestones depends largely on meeting specific requirements laid out in the collaboration and license agreements. Consideration that is contingent upon achievement of a milestone is recognized in its entirety as revenue in the period in which the milestone is achieved, but only if the consideration earned from the achievement of a milestone meets all the criteria for the milestone to be considered substantive at the inception of the agreement. For a milestone to be considered substantive, the consideration earned by achieving the milestone must (i) be commensurate with either the Group’s performance to achieve the milestone or the enhancement of the value of the item delivered as a result of a

specific outcome resulting from the Group's performance to achieve the milestone, (ii) relate solely to past performance, and (iii) be reasonable relative to all deliverables and payment terms in the collaboration agreement.

Research and development

Research expenses are recognized as expenses when incurred. Costs incurred on development projects are recognized as intangible assets as of the date as of which it can be established that it is probable that future economic benefits attributable to the asset will flow to the Group considering its technological and commercial feasibility. This is not the case before regulatory approval for commercialization is achieved and costs can be measured reliably. Given the current stage of the development of the Group's products, no development expenditures have yet been capitalized. Intellectual property-related costs for patents are part of the expenditure for the research and development projects. Therefore, registration costs for patents are expensed when incurred as long as the research and development project concerned does not meet the criteria for capitalization.

As part of the process of preparing the consolidated financial statements Affimed is required to estimate its accrued expenses. This process involves reviewing quotations and contracts, identifying services that have been performed on its behalf, estimating the level of service performed and the associated cost incurred for the service when Affimed has not yet been invoiced or otherwise notified of the actual cost. The majority of Affimed's service providers invoice monthly in arrears for services performed or when contractual milestones are met. Affimed makes estimates of its accrued expenses as of each balance sheet date in the consolidated financial statements based on facts and circumstances known to it at that time. Affimed periodically confirms the accuracy of its estimates with the service providers and makes adjustments if necessary.

Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Share-based payment transactions

The share-based payment awards are classified as cash-settled awards. They are measured based on
the services received and the fair value of the liability. Until the liability is settled, it is remeasured at fair value at each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period.

Government grants

The Group receives certain government grants, which support its research effort in defined projects. These grants generally provide for reimbursement of approved costs incurred as defined in the respective grants. Income in respect of grants also includes contributions towards the costs of research and development. Income is recognized when costs under each grant are incurred in accordance with the terms and conditions of the grant and the collectability of the receivable is reasonably assured.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs they are intended to compensate. When the cash in relation to recognized government grants is not yet received the amount is included as a receivable on the balance sheet.

The Group recognizes income from government grants under 'Other income' in the consolidated statement of comprehensive loss.

Lease payments

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease.

Finance income and finance costs

Finance income comprises interest income from interest bearing bank deposits. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and preferred shares and fair value adjustments of embedded derivative conversion features. Borrowing costs are recognized in profit or loss using the effective interest method.

Intangible assets

Intangible assets comprise mainly purchased technology licenses and software. Intangible assets are initially measured at acquisition cost, including any directly attributable costs of preparing the asset for its intended use less accumulated amortization. Amortization begins when an asset is available for use and amortization is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

- Technology licenses: 3-14 years
- Software: 3 years

The Group only owns intangible assets with a definite useful life.

The useful lives of intangible assets are reviewed at each reporting date. The effect of any adjustment to useful lives is recognized prospectively as a change of accounting estimate.

Leasehold improvements and equipment

Leasehold improvements and equipment comprise mainly leasehold improvements, laboratory equipment and other office equipment. Leasehold improvements and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

All repairs and maintenance are charged to profit or loss during the financial period in which they are incurred because they do not constitute a separate asset.

Depreciation on leasehold improvements and equipment is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

- Leasehold improvements: 8-10 years
- Equipment: 3-14 years

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

Leasehold improvements are depreciated over the shorter of the expected lease term for the buildings the assets relate to or the estimated useful life.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other gains—net in the consolidated statement of comprehensive loss.

Inventories

Inventories are measured at the lower of cost or net realizable value and comprise chemical substances and other consumables used for research and development. The cost of inventories is based on the average cost-principle and includes expenditure incurred in acquiring the inventories, import duties, as well as transport and other costs directly attributable to the purchase.

Financial instruments

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

(i) Non-derivative financial assets

The Group's only class of non-derivative financial assets is trade and other receivables and cash and cash equivalents.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets and measured as loans and receivables (see note 16). Loans and receivables are subsequently carried at amortized cost using the effective interest method.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

(ii) Non-derivative financial liabilities

The Group's classes of financial liabilities are trade and other payables, convertible loans and preferred shares. The Group initially recognizes non-derivative financial liabilities on the date that they are originated and measures them at amortized cost using the effective interest rate method. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

(iii) Embedded derivatives

Embedded derivatives are conversion features into Series D preferred shares included in the convertible loan issued in 2012 and into Series D or the highest class of preferred shares included in the convertible loan issued in 2013. The Group measures the fair value of the embedded derivative on initial recognition as the difference between the fair value of the hybrid instrument and the fair value of the host contract—the loan. The initial recognition amount of the host contract is calculated as the difference between the issuance price and the fair value of the embedded derivative. The fair value of the host contract is derived from quoted third party offers for similar loans without a conversion feature. Subsequently the embedded derivatives are measured at fair value through profit or loss with reference to the fair value of Series D preferred shares (see notes 19 and 22).

Impairment

(i) Trade and other receivables

Trade and other receivables are assessed at each reporting date to determine whether there is objective evidence that they are impaired. Trade or other receivables are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the receivable, and that the loss event had a negative effect on the estimated future cash flows of that receivable that can be estimated reliably. A loss event is the inability of a debtor to pay, because of its bankruptcy. All receivables are assessed for specific impairment. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. No impairments or reversals of impairments were recognized in 2012 and 2013.

(ii) Non-financial assets

Assets that are subject to depreciation / amortization are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognized as the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non- financial assets that were previously impaired are reviewed for possible reversal of the impairment at each reporting date. No impairments or reversals of impairments were recognized in 2012 and 2013.

Income taxes

Income taxes comprise current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with assets and liabilities if the transaction which led to their initial recognition is a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are presented net if there is a legally enforceable right to offset.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

Fair Value Measurement

All assets and liabilities, for which fair value is recognized in the consolidated financial statements, are organized in accordance with the following fair value hierarchy, based on the lowest level input parameter that is significant on the whole for fair value measurement:

- Level 1—Prices for identical assets or liabilities quoted in active markets (non-adjusted)
- Level 2—Measurement procedures, in which the lowest level input parameter significant on the whole for fair value measurement is directly or indirectly observable for on the market
- Level 3—Measurement procedures, in which the lowest level input parameter significant on the whole for fair value measurement is not directly or indirectly observable for on the market

The carrying amount of all trade and other receivables, cash and cash equivalents and trade and other payables is a reasonable approximation of the fair value and therefore information about the fair values of those financial instruments has not been disclosed.

Loss per share

Affimed presents loss per share data for its common shares. Loss per common share is calculated by dividing the loss of the period by the weighted average number of common shares outstanding during the period.

Critical judgments and accounting estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in note 2 and below:

(i) Preferred shares

Significant judgment is required in determining the classification of the preferred shares issued by the Company as equity or liabilities and subsequently for the measurement of the preferred shares. The preferred shareholders receive—prior to and in preference to the holders of common shares—a disproportionate share of the net assets of the Company in case of liquidation or certain exit events the occurrence of which is beyond the control of the Company. A change in the estimate of the timing of such events has an impact on the value of the preferred shares. The carrying amount of the preferred shares at a certain date is determined as the amortized cost using the effective interest rate method and is based on the contractual cash flows of the instrument.

The Company did not elect to recognize the preferred shares at fair value. The fair value of the preferred shares is only determined for disclosure at each balance sheet date (see note 19).

The subsequent fair value measurement of the conversion feature embedded in the convertible loan is derived from the fair value of the preferred shares.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

(ii) Share-based payments

The Company operates share-based compensation plans, pursuant to which certain participants are granted options to receive payments pursuant to the payments to preferred share holders or the right to cash payments based on the fair value of the Company in certain specified contingent events. The awards are accounted for in accordance with the accounting policy as cash-settled. The expense accrued over the vesting period and recognized as a liability at each balance sheet date is determined by reference to the estimated fair value of the preferred shares or the entire Company (see notes 19 and 20).

(iii) Linked transactions

Judgment is required to determine the accounting for a series of linked transactions. The decisive factor for the determination is the economic substance. If the central element in a series of contractual agreements is the research and development and/or commercialization of products and product candidates then the arrangement represents a collaboration agreement and the accounting is according to our policy for collaborative agreements. See note 6, “Collaboration Agreements” for a discussion of the Company’s current collaboration with Amphivena.

(iv) Revenue recognition

Elements of consideration in collaboration and license agreements are non-refundable up-front research funding payments, technology access fees and milestone payments. Generally, the Group has continuing performance obligations, and therefore up-front payments are deferred and the related revenues recognized in the period of the expected performance. Technology access fees are generally deferred and recognized over the expected term of the research service agreement on a straight line basis.

The Group estimates that the achievement of a milestone reflects a stage of completion under the terms of the agreements and recognizes revenue when a milestone is achieved. If the research service is cancelled due to technical failure, the remaining deferred revenues from upfront payments are recognized.

New standards and interpretations applied for the first time

A number of amendments to standards and new or amended interpretations are effective for annual periods beginning on or before January 1, 2013, and have been applied in preparing these financial statements.

STANDARD/INTERPRETATION	EFFECTIVE DATE[1]
Amendment to IFRS 7, Disclosures—Offsetting Financial Assets and Financial Liabilities	January 1, 2013
IFRS 10, Consolidated Financial Statements	January 1, 2013
IFRS 12, Disclosure of Interests in Other Entities	January 1, 2013
Amendments to IFRS 10, 11, 12, Transition Guidance	January 1, 2013
IFRS 13, Fair Value Measurement	January 1, 2013
Amendments to IAS 1, Presentation of Items of other Comprehensive Income	July 1, 2013
IAS 19, Employee Benefits	January 1, 2013
IAS 28, Investments in Associates and Joint Ventures	January 1, 2013
Annual Improvements to IFRSs 2009-2011 Cycle	January 1, 2013

1 Shall apply for periods beginning on or after shown in the effective date column.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

None of these amendments to standards and new or amended interpretations had a significant effect on the consolidated financial statements of the Group, except for IFRS 13, which resulted in amended note disclosures. The first time application of IFRS 10 did not result in a change of the basis of consolidation compared to prior year.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2014, or later as stated and have not been applied in preparing these consolidated financial statements.

STANDARD/INTERPRETATION	EFFECTIVE DATE[1]
Amendments to IFRS 10, 12, IAS 27, Investment Entities	January 1, 2014
Amendments to IAS 36, Recoverable Amount Disclosures for Non-Financial Assets	January 1, 2014
Amendment to IAS 32 Offsetting Financial Assets and Liabilities	January 1, 2014
Annual Improvements to IFRSs 2010-2012 Cycle	July 1, 2014
Annual Improvements to IFRSs 2011-2013 Cycle	July 1, 2014
Amendments to IAS 16, 38 Clarification of acceptable methods of depreciation and amortization	January 1, 2016
IFRS 9 Financial instruments (2009 / 2010 / 2013)	to be determined
IFRS 9 Financial instruments in conjunction with IFRS 9 and IFRS 7 Amendment mandatory effective date and transition disclosure	to be determined

1 Shall apply for periods beginning on or after shown in the effective date column.

None of these new or amended standards and interpretations is expected to have a significant effect on the consolidated financial statements of the Group. The IASB issued other new standards, amendments to standards and interpretations that are effective for annual periods beginning after January 1, 2014, that will have no impact on the consolidated financial statements of the Group.

5. Segment reporting

(i) Information about reportable segment

The Group has one Segment. The Group is active in the discovery, preclinical and clinical development of antibodies based on core technology. The activities are either conducted as own project development or for third party companies. Management of resources and reporting to the decision maker is based on the Group as a whole.

Financial information regarding the segment can be derived directly from the consolidated statement of financial position and from the consolidated statement of comprehensive loss.

(ii) Geographic information

Discovery activities are conducted in both Heidelberg and Plzen. Research services are conducted in Plzen. Pre-clinical and clinical activities are conducted and coordinated from Heidelberg.

The geographic information below analyses the Group’s revenue and non-current assets by the country of domicile and other countries. In presenting the following information, revenue has been based on the geographic location of the customers and assets were based on the geographic location of the assets.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

	2012	2013
	(€ in thousands)	
Revenues:		
Germany	0	350
Europe	145	344
USA	1,028	4,393
	1,173	5,087
Non-current assets as of December 31:		
Germany	629	611
Czech Republic	856	581
	1,485	1,192

Non-current assets exclude deferred tax assets.

(iii) Major Customers

In 2012, the Group's revenue with two customers exceeded 10%. Revenue of €1,028 relates to one customer, revenue of €145 relates to another customer. In 2013 the Group's revenue from the Amphivena collaboration agreement exceeded 10% (see note 6).

6. Revenue

Collaboration agreement Amphivena

Affimed is party to a collaboration with Amphivena Therapeutics Inc., San Francisco, USA (in the following Amphivena) to develop a product candidate for hematologic malignancies. The collaboration consists of a series of linked transactions which in substance are a research and development collaboration. Amphivena is a structured entity with one project and uses the funding it receives from investors (which include Affimed) and Janssen Biotech Inc., Horsham, USA (in the following Janssen) to pay Affimed for its research and development services. Once acceptance of an investigational new drug application (IND) for the product candidate is obtained, Janssen has an option to acquire Amphivena on predetermined terms and the investors could receive further payments.

The relevant linked agreements consist of:

- a license and development agreement between Affimed and Amphivena,
- a stock purchase agreement between Amphivena, its investors (which include Affimed) for purposes of financing Amphivena, and
- a warrant agreement between Amphivena and Janssen for purposes of financing Amphivena and providing Janssen the option to acquire the results of the research and development activities through an acquisition of Amphivena following IND acceptance.

Pursuant to the license and development agreement between Affimed and Amphivena, Affimed grants a license to intellectual property and agreed to perform certain services for Amphivena related to the development of a product candidate for hematological malignancies. In consideration for the research and development work to be performed, Amphivena could be required to pay to Affimed service fees totaling approximately €16.0 million payable according to the achievement of milestones and phase progressions as

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

described under the license and development agreement. Affimed received an interest in Amphivena for the grant of the license that represents a right to participate in possible proceeds that are contingent on the exercise of the warrant by Janssen or a future sale. The license grant does not have stand-alone value to Amphivena without the services performed under the license and development agreement. Therefore, no revenue was recognized for the issuance of the equity interests to Affimed and the financial asset is carried at zero. Affimed recognized revenue of €4.4 million in 2013 upon achievement of the first milestone. The revenue consists of the earned milestone payment of €4.6 million less Affimed's share in funding Amphivena in 2013 of €0.2 million.

Amphivena has obtained funding solely by issuing additional shares of preferred stock to investors and under the warrant agreement with Janssen. Investors provide financing in exchange for preferred stock issued by Amphivena under the terms of a stock purchase agreement, of which a tranche was provided in 2013 with the remainder to be provided upon the achievement of certain milestones under the license and development agreement with Affimed. Affimed participated in the financing of Amphivena with an amount of $0.3 million (€0.2 million) and could be required to contribute an additional amount of up to $0.6 million (€0.5 million) upon the achievement of certain milestones. Amphivena could be required to make a payment to Affimed upon the achievement of certain milestones. Janssen could be obligated to make additional payments to Amphivena under the warrant upon Amphivena's achievement of specified milestones under the license and development agreement. Amphivena has successfully reached its first milestone and received an initial payment from Janssen.

Research service agreements

AbCheck has entered into certain research service agreements. These research service agreements provide for non-refundable, upfront technology access or research funding fees and milestone payments. The Group recognized revenue of €1,173 and €694 in the years 2012 and 2013, respectively.

Collaboration agreement The Leukemia & Lymphoma Society

In August 2013, the Company signed an agreement with the Leukemia and Lymphoma Society (in the following LLS) to fund the development of a specific TandAb. The Company has not yet received any milestone payments nor started any work pursuant to the collaboration agreement.

7. Other income and expenses—net

Other income mainly comprises income from government grants for research and development projects of €533 (2012: €186) and foreign exchange gains. Other expenses of €33 (2012: €0) mainly comprises losses from the disposal of assets.

8. Research and development expenses

The following table shows the different types of expenses allocated to research and development costs:

	2012	2013
	(€ in thousands)	
Third-party services	3,213	5,680
Personnel expenses	2,997	5,273
Legal, consulting and audit fees	768	1,405
Cost of materials	550	709
Amortization and depreciation	395	427
Operating lease expenses	266	258
Other expenses	537	602
	8,726	14,354

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

9. General and administrative expenses

The following table shows the different types of expenses allocated to general and administrative costs:

	2012	2013
	(€ in thousands)	
Legal, consulting and audit fees	1,084	1,445
Personnel expenses	1,516	5,165
Operating lease expenses	70	71
Other expenses	380	365
	3,050	7,046

10. Employee benefits

The following table shows the items of employee benefits:

	2012	2013
	(€ in thousands)	
Wages and salaries	2,226	2,490
Social security costs	415	430
	2,641	2,920

The employer's contributions to statutory pension insurance of €216 (2012: €202) are classified as payments under a defined contribution plan and are recognized in full as an expense accordingly.

11. Finance costs—net

Finance costs comprise mainly interest expenses for short term borrowings of €359 (2012: €145) and interest for preferred shares of €4,478 (2012: €3,782). In 2013 an amount of €5,553 is recognized for the fair valuation of the derivative conversion feature (2012: €0).

12. Income taxes

The Company did not incur any material income tax. Temporary differences resulting from preferred shares (€23,247 in 2013 and €21,911 in 2012), derivative conversion features (€1,848 in 2013 and €0 in 2012) and share-based payments (€3,829 in 2013 and €1,427 in 2012) have not been recognized as deferred tax assets as no sufficient future taxable profits or offsetting deferred tax liabilities are available.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

A reconciliation between income taxes and the product of loss before tax multiplied by the Company's applicable tax rate is presented below:

	2012	2013
	(€ in thousands)	
Loss before tax	(14,323)	(26,100)
Income tax benefit at tax rate of 29.825%	4,272	7,784
Losses for which no deferred tax asset is recognized	(4,262)	(7,818)
Adjustments for local tax rates	(6)	(9)
Other	5	44
Income taxes	9	1

In Germany, Affimed has tax losses carried forward of €52.7 million (2012: €45.2 million) for corporate income tax purposes and of €52.6 million (2012: €45.2 million) for trade tax purposes that are available indefinitely for offsetting against future taxable profits of that entity. Deferred tax assets have not been recognized in respect of these losses as no sufficient taxable profits of Affimed are expected.

13. Intangible assets

The following table shows the reconciliation of intangible assets for the year 2012:

	TECHNOLOGY LICENSES	OFFICE SOFTWARE	TOTAL
		(€ in thousands)	
Cost as of January 1	335	279	614
Additions	2	4	6
Cost as of December 31	337	283	620
Accumulated amortization as of January 1	2	237	239
Additions	113	8	121
Accumulated amortization as of December 31	115	245	360
Carrying amount as of January 1	333	42	375
Carrying amount as of December 31	222	38	260

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

The following table shows the reconciliation of intangible assets for the year 2013:

	TECHNOLOGY LICENSES	OFFICE SOFTWARE	TOTAL
		(€ in thousands)	
Cost as of January 1	337	283	620
Additions	5	18	23
Cost as of December 31	342	301	643
Accumulated amortization as of January 1	115	245	360
Additions	107	18	125
Accumulated amortization as of December 31	222	263	485
Carrying amount as of January 1	222	38	260
Carrying amount as of December 31	120	38	158

14. Leasehold improvements and equipment

The following table shows the reconciliation of tangible assets for the year 2012:

	LEASEHOLD IMPROVEMENTS	LABORATORY EQUIPMENT, FURNITURE AND FIXTURES	TOTAL
		(€ in thousands)	
Cost as of January 1	183	2,388	2,571
Additions	0	29	29
Disposals	0	(2)	(2)
Cost as of December 31	183	2,415	2,598
Accumulated depreciation as of January 1	181	907	1,088
Additions	0	287	287
Disposals	0	(2)	(2)
Accumulated depreciation as of December 31	181	1,192	1,373
Carrying amount as of January 1	2	1,481	1,483
Carrying amount as of December 31	2	1,223	1,225

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

The following table shows the reconciliation of tangible assets for the year 2013:

	LEASEHOLD IMPROVEMENTS	LABORATORY EQUIPMENT, FURNITURE AND FIXTURES	TOTAL
		(€ in thousands)	
Cost as of January 1	183	2,415	2,599
Additions	0	139	139
Disposals	0	(52)	(52)
Cost as of December 31	183	2,502	2,686
Accumulated depreciation as of January 1	181	1,192	1,373
Additions	0	301	301
Disposals	0	(23)	(23)
Accumulated depreciation as of December 31	181	1,470	1,651
Carrying amount as of January 1	2	1,223	1,225
Carrying amount as of December 31	2	1,032	1,034

15. Inventories

Inventories comprise laboratory materials and supplies of €140 (2012: €121). No impairment was recognized. Total consumption of inventories recognized in profit or loss amounts to €731 (2012: €585).

16. Trade and other receivables

The trade receivables as at year-end of €21 (2012: €1) are all due in the short-term, do not bear interest and are neither overdue nor impaired. Other receivables are all due short-term and mainly comprise receivables for research and development grants and other government subsidies of €331 (2012: €415) and value-added tax receivables of €532 (2012: €117).

17. Cash and cash equivalents

Cash and cash equivalent balances include cash in hand and interest bearing bank deposits due at any time less than 3 months upon inception.

18. Equity

Share structure and reserves

At December 31, 2013, the share capital and preferred shares of the Company are divided into 1,992,901 non-par value shares with a portion of the Company's statutory share capital of €1.00 per share, thereof 63,323 common shares and 1,929,578 Series D Preferred Shares.

Series D Preferred Shares are classified as liabilities based on their specific features and are disclosed in detail in note 19.

The capital reserve comprises of payments of shareholders of common shares.

Own shares are deducted from equity based on the consideration paid and represent own common shares.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

19. Preferred shares

Preferred shares are a class of stock of the Company and convey voting rights to its holders. They do not contain a conversion or redemption feature. The Series D preference shares are the only class of preferred shares outstanding as of December 31, 2013 and 2012.

The preferred shareholders are entitled to a disproportionate share of the net assets of the Company in case of certain exit events. These exit events include an insolvency, dissolution or liquidation of the Company, a sale of at least 50% of the shares of the Company, a sale of at least 75% of the total assets (including intellectual property rights) of the Company, a merger or take-over or any other event pursuant to which the current shareholders own less than a majority of the voting rights in the Company or the combined entities or a reverse take-over by way of a share swap or merger. Upon the occurrence of an exit event, the Series D preferred shares are entitled to proceeds—prior to and in preference to the holders of common shares—of an amount of €41.08 per share in addition to unpaid accreted dividends of 6% p.a. on the issue price of the Series D preferred shares of €30.89. Any net assets of the Company remaining after the preference is paid shall be distributed pro rata to each share of common or preferred. If the proceeds are not sufficient for the preference payments, then the entire liquidation proceeds shall be distributed among the holders of preferred shares.

The carrying amount of the Series D preferred shares represents the amortized cost under the effective interest method. It considers the proceeds received upon issuance and the cumulative amortization of contractual cash flows of the preference payments over the expected term.

The Company did not elect to record the preferred shares at fair value. For the disclosures, the fair value of the preferred shares based on a level 3 category is estimated by an income approach based on a discounted cash flow model using a weighted average cost of capital at each valuation date; the value allocated to the preferred shares uses an option pricing method that treats the preferred shares as call options on the total fair value of the Company considering the allocation between the classes of stock. As of December 31, 2013, the fair values of all Series D preferred shares is estimated at €158.7 million (2012: €86.3 million).

20. Share-based payments

The Company has granted share-based payment awards to its managing directors, board members and consultants pursuant to two incentive plans: (i) the ESOP 2007 Plan grants options to acquire preferred shares at the issue price of EUR 30.89 per Series D preferred share after vesting but during the contractually agreed ten year life of the award and (ii) the carve-out plan grants the right to receive a cash payment equal to a certain percentage of the fair value of the Company contingent upon the occurrence of a defined exit event. The awards pursuant to both share-based incentive plans are accounted for as cash settled.

Pursuant to the ESOP 2007 142,171 awards had been granted prior to 2012, and all related vesting and performance conditions were fulfilled. There were no grants in 2012 or 2013. The ESOP 2007 awards entitle the beneficiary to a cash payment encompassing all preference rights and payments connected to the preferred shares, net of the strike price owed by the beneficiary.

In 2012, 31,768 ESOP 2007 awards were cancelled. In 2013, 13,081 ESOP 2007 awards were replaced by awards under the carve-out plan. The replacement was accounted as a modification. The incremental fair value of €1,271 represents the difference between the fair value of the cancelled awards and the replacement awards. As of December 31, 2012 and 2013, 110,403 and 97,322 ESOP awards were outstanding, all of which were vested.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

Pursuant to the carve-out plan, awards entitle the beneficiaries to cash payments of an aggregate of 7.78% of the fair value of the Company in case of a defined exit event, including an initial public offering. The plan has a three year service condition, whereby 50% of the entitlements vest after one year, further 25% after two years and the remaining 25% after three years. In case of a successful sale of the Company during the vesting period an accelerated vesting shall apply and all entitlements vest immediately. In 2013 a stake of 3.73% was granted. As of December 2013 and 2012, 4.58% and 2.53% have vested, respectively. Awards of 2.94% are still outstanding at December 31, 2013 and have not yet vested. The liabilities for share-based payment awards relate to the two arrangements as follows:

	DECEMBER 31, 2012	DECEMBER 31, 2013
	(€ in thousands)	
Total carrying amount of liability:		
ESOP 2007	1,705	3,648
Carve-out plan	3,079	9,190
	4,784	12,838

In 2013 a total expense of €8,054 (2012: €1,918) was recognized.

Affimed is a private company with no active market for its shares. Therefore, level 3 valuations were performed as of each measurement date. The fair values at the measurement dates of the ESOP 2007 awards are derived from the fair value of the preferred shares, less the strike price. The fair value of the carve-out plan awards is based on the value of the Company as a whole that is determined in connection with the determination of the fair value of the preferred shares (see note 19).

21. Trade and other payables

Trade and other payables comprise trade payables of €3,465 (2012: €1,744) and are normally settled within 30 days or at a separate settlement date which was agreed between the parties. Other payables mainly comprise employee related liabilities for income taxes and social security contributions still to be paid of €151 (2012: €79) and payables due to employees for outstanding bonus, holidays and outstanding purchase invoices from suppliers and other accruals. Other payables are normally settled within 30 days.

22. Borrowings

On June 28, 2013, several shareholders granted the Company a €5.1 million loan. The loan bears a 2% interest rate and is repayable by July 31, 2014. The loan in its entirety or a portion of the outstanding balance is convertible into Series D preferred shares or the highest preferred share class at the option of the holders at a fixed share price of €30.89.

The convertible loan contains a liability and an embedded conversion right into preferred shares. Based on a market interest rate of 13.3% for a comparable loan without a conversion feature an amount of €4,441 was recognized in current liabilities, and an amount of €643, was classified as current liability as derivative conversion feature. The repayment amount is accreted using the market interest rate used to determine the fair value of the loan without the conversion feature at inception.

Interest costs of €359 have been recognized in profit or loss in 2013. As of December 31, 2013 the carrying amount of the loan is €4.8 million. If none of the holders of the convertible loan elected to convert, the cash

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

outflow on July 31, 2014 would amount to €5.2 million consisting of the loan amount plus accreted interest. In addition, an amount of €5,553 was recognized in finance costs for changes in the fair value of the embedded derivative conversion feature in 2013. The fair value of €6,196 was determined with reference to the fair value of the preferred shares (see notes 19 and 20).

On March 7, 2012, several shareholders granted the Company a €4.5 million bridge loan until the closure of the subsequent issuance of Series D preferred shares later on September 24, 2012. All holders of the loan converted as of that date; an amount of €145 was recognized in finance cost in 2012.

23. Loss per share

The loss per share is calculated by dividing the loss attributable to shareholders of the Company by the weighted average number of outstanding common shares.

	2012	2013
	(€ in thousands)	
Net loss	(14,314)	(26,099)
Weighted number of common shares outstanding	63,323	63,323
Loss per share, undiluted and diluted in € per share	(226.05)	(412.16)

There are no dilutive instruments outstanding.

24. Operating leases and other commitments and contingencies

(i) Lease and other commitments

The Group has entered into rental agreements for premises as well as into leases for vehicles and the use of licenses. These contracts have an average life of between one and four years with renewal options included in some contracts. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum lease payment obligations under non-cancellable operating leases as of the reporting date are as follows:

	2012	2013
	(€ in thousands)	
Within one year	550	560
Between one and five years	308	498
More than five years	0	0
Total	858	1,058

(ii) Contingencies

Affimed has entered into various license agreements that contingently trigger payments upon achievement of certain milestones and royalty payments upon commercialization of a product in the future.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

25. Related parties

(i) Shareholders

Affimed currently has eleven shareholders, including two that hold more than 20% of the voting rights provided by common and preferred shares. In 2013, accreted interest for preferred shares of €2,718 (2012: €2,295) relates to these two shareholders. At December 31, 2013, the carrying amount of preferred shares held by these two shareholders is €47.3 million (2012: €44.6 million).

(ii) Transaction with key management personnel

Managing Directors		
Dr. Adolf Hoess	CEO	
Dr. Florian Fischer	CFO	
Dr. Eugene Zhukovsky	CSO	until March 31, 2014
Dr. Jens-Peter Marschner	CMO	as of October 1, 2013
Dr. Rolf Günther	CEO	until March 31, 2012

The compensation of managing directors comprised of the following:

	2012	2013
	(€ in thousands)	
Short-term employee benefits	799	837
Share-based payments	1,612	5,367
Total	2,411	6,204

Remuneration of Affimed's managing directors comprises fixed and variable components. In addition, the managing directors receive supplementary benefits such as fringe benefits and allowances. No termination benefits or other long term benefits were paid.

The managing directors of Affimed also participate in Affimed's share-based incentive programs. Liabilities for managing directors under these plans amounted to €8,402 at December 31, 2013 (2012: €3,331).

Dr. Florian Fischer is founder and Chief Executive Officer of MedVenture Partners, a Munich-based corporate finance and strategy advisory company focusing on the life sciences and health care industry. His services as managing director were compensated through MedVenture Partners. In addition, MedVenture Partners rendered services for a consideration of €30 in 2013 and €31 in 2012.

Supervisory Directors		
Dr. Thomas Hecht	Chairman	Independent member
Dr. Gerhard Ries		until April 16, 2014
Dr. Frank Mühlenbeck	Vice Chairman	Representative of SGR
Dr. Jörg Neermann		Representative of LSP
Dr. Michael Sheffery		Representative of OrbiMed
Dr. Richard B. Stead		Independent member

The supervisory directors did not receive compensation for their services on the supervisory board.

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

In 2013, the Group recognized expenses for share-based payments for board members under the ESOP 2007 plan and the carve-out plan of €245 (2012: €46). Liabilities for board members under these plans amounted to €496 in 2013 and €251 in 2012, respectively.

Selected board member entered into service and consulting agreements with the Company:

Dr. Thomas Hecht is Head of Hecht Healthcare Consulting (HHC) in Küssnacht, Switzerland, a biopharmaceutical consulting company. He advises the Company on the strategic direction and the portfolio of Affimed's antibody programs; commercial evaluation and market analysis; selection of the appropriate indications for Affimed's antibody programs; analysis of competitiveness of Affimed's antibody programs and advice on target product profile. These services are rendered through HHC and amounting to €65 in 2013 and 2012 respectively. The awards under the carve-out plan to HHC are part of the share-based payments to board members.

Dr. Richard B. Stead is Founder and Principal of BioPharma Consulting Services LLC, where he is involved in the development of a number of oncology products including different strategies for cancer immunotherapy. He advises the Company in the following fields: strategic direction and the portfolio of Affimed's antibody programs; appropriate pre-clinical development; clinical development plan; compilation and/or review of regulatory documents (IND, IMPDs etc); preparation and organization of meetings with regulatory authorities. These services are rendered through BioPharma Consulting Services LLC and amounting to €40 in 2013 and 2012, respectively. The awards under the carve-out plan to BioPharma Consulting Services LLC are part of the share-based payments to board members.

The following table provides the total amounts of outstanding balances for consulting fees and travel allowances related to key management personnel.

	DECEMBER 31, 2012	DECEMBER 31, 2013
	(€ in thousands)	
Dr. Adolf Hoess	20	16
MedVenture Partners GmbH (Dr. Florian Fischer)	65	17
Hecht Healthcare Consulting (Dr. Thomas Hecht)	5	5
BioPharma Consulting Services LLC (Dr. Richard B. Stead)	15	10

(iii) Borrowings from related parties

The following table provides the total amounts of borrowings which have been entered into with shareholders for the relevant year:

	INTEREST INCOME	INTEREST EXPENSES	BORROWINGS
		(€ in thousands)	
December 31, 2012			
Convertible loan 2012	0	145	0
December 31, 2013			
Advance to shareholder	1	0	0
Convertible loan 2013	0	359	4,800

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

Affimed advanced €254 to Aeris Capital AG, Switzerland, in the form of a short term loan of €254 in connection with the closing of the Amphivena transaction in 2013. The advance and the respective interest of €1 were repaid in the same year.

Details of the convertible loan agreements with shareholders are disclosed in Note 22.

26. Financial risk management

(i) Financial risk management objectives and policies

The Group's principal financial instruments comprise short-term deposits at commercial banks with a maturity on inception of three months or less, preferred shares and shareholder bridge loans presented in borrowings. The main purpose of these financial instruments is to raise funds for the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables and trade and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk and liquidity risk. The measures taken by management to manage each of these risks are summarized below.

(ii) Credit risk

The Company does business with other companies. Prepayments are usually agreed for contract development of antibodies. Therefore, the carrying amount of trade and other receivables and cash and cash equivalents represents the maximum credit exposure of €5.2 million (2012: €5.6 million).

The cash and cash equivalents are held with banks, which are rated BBB to A based on Standard & Poor's and Moody's.

(iii) Interest rate risk

There is no significant interest rate risk, because the only interest bearing liability of €4.8 million presented in borrowings was entered into with fixed interest rates. The interest on the preferred shares depends on the fair value of the Company and is contingent upon occurrence of an exit event.

(iv) Foreign currency risk

The Group is exposed to Czech Koruna (CZK) and US Dollars (USD). The net exposure as of December 31, 2012 was €92 and as of December 31, 2013 €159.

The following significant exchange rates have been applied during the year:

	2012 CZK OR USD/EUR	2013 CZK OR USD/EUR
CZK—Average Rate	0.03970	0.03850
CZK—Spot rate	0.03978	0.03640
USD—Average Rate	0.77800	0.75340
USD—Spot rate	0.75572	0.72633

AFFIMED THERAPEUTICS AG

Notes to the Consolidated Financial Statements
(in € thousand)

A reasonable possible strengthening (weakening) of the CZK or USD against the Euro at December 31, 2012 and 2013 would have had an immaterial effect.

(v) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities which are normally settled by delivering cash. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group continually monitors its risk of a shortage of funds using short and mid-term liquidity planning. This takes account of the expected cash flows from all activities. The supervisory board undertakes regular reviews of the budget.

The contractual cash flows of financial liabilities comprising trade and other payables equal their carrying amounts due to the short term and non-interest bearing nature. The contractual cash flows of preferred shares, borrowings and share-based payments are disclosed in the respective notes.

For detailed disclosures regarding the going concern assumption and liquidity requirements see note 2.

(vi) Capital management

The primary objective of the Group's capital management is to ensure that it maintains its liquidity in order to finance its operating activities and meet its liabilities when due.

The Group manages its capital structure through equity, preferred shares and shareholder loans and makes adjustments to it in light of changes in economic conditions. To manage liquidity, the existing shareholders and new investors will need to inject capital.

The key measure is a liquidity based budget and is explained in note 2.

Shares

Affimed Therapeutics B.V.

Common Shares

PRELIMINARY PROSPECTUS

Jefferies
Leerink Partners
BMO Capital Markets

Trout Capital

, 2014

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 6. Indemnification of Directors and Officers

Our managing directors and supervisory directors have the benefit of the following indemnification provisions in our Articles of Association:

Current and former managing directors and supervisory directors shall be reimbursed for:

a) the reasonable costs of conducting a defense against a claim based on acts or failures to act in the exercise of their duties or any other duties currently or previously performed by them at our request;

b) any damages or fines payable by them as a result of an act or failure to act as referred to under (a); and

c) the reasonable costs of appearing in other legal proceedings in which they are involved as current or former management director or supervisory director, with the exception of proceedings primarily aimed at pursuing a claim on their own behalf.

There shall be no entitlement to reimbursement as referred to above if and to the extent that:

a) a Dutch court or, in the event of arbitration, an arbitrator has established in a final and conclusive decision that the act or failure to act of the person concerned can be characterized as willful, intentionally reckless or seriously culpable conduct, unless Dutch law provides otherwise or this would, in view of the circumstances of the case, be unacceptable according to standards of reasonableness and fairness; or

b) the costs or financial loss of the person concerned are covered by an insurance and the insurer has paid out the costs or financial loss.

If and to the extent that it has been established by a Dutch court or, in the event of arbitration, an arbitrator in a final and conclusive decision that the person concerned is not entitled to reimbursement as referred to above, he shall immediately repay the amount reimbursed by us.

We also intend to enter into indemnification agreements with each of our management directors and supervisory directors upon the consummation of this offering.

Item 7. Recent Sales of Unregistered Securities

Set forth below is information regarding all securities issued by Affimed Therapeutics B.V.'s predecessor, Affimed Therapeutics AG, without registration under the Securities Act since January 1, 2011. The information presented below does not give effect to our corporate reorganization as described in the prospectus.

Series D investment agreement

On March 7, 2012, we entered into a convertible loan agreement with certain of our existing shareholders, including Aeris Capital, BioMedInvest I Ltd., OrbiMed Associates III LP, OrbiMed Private Investments III, LP (formerly known as Caduceus Private Investments III LP), LSP III Omni Investment Coöperatief U.A. and Novo Nordisk A/S (collectively, the Lenders), in the amount of €4,750,000 at 8% interest per annum. The convertible loan agreement provided that all principal and interest outstanding on the convertible loan would be converted into shares upon the closing of a Series D financing round (as defined in the convertible loan agreement) in accordance with the terms and provisions of the convertible loan agreement. As of September 24, 2012, the convertible loan had been drawn in the total amount of €4,450,000.

On September 24, 2012, we entered into an investment agreement with the Lenders and DKFZ pursuant to which we agreed to issue and sell an aggregate of 502,528 Series D preferred shares in exchange for a contribution of €10,772,415 and the conversion of the existing convertible loan of €4,748,750 including interest and nominal value of the preferred shares, in two tranches (the Series D Financing). In the first tranche, the Lenders agreed to convert the principal amount of the loan and interest thereon and invest new capital of €153,750 at the issue price of €1.00 per share for 153,750 new Series D preferred shares issued in the loan conversion. The Lenders also agreed to purchase an additional 170,424 new Series D preferred shares for €5,263,712 in connection with the first tranche in September 2012. Financing from the second tranche was conditioned on the results of certain safety data and a scientific advice meeting with a national authority. In June 2013 our shareholders waived the second tranche, conditioned on the completion of a Series E financing round (as defined in the convertible loan agreement) prior to, among other things, an initial public offering, and instead provided us a convertible loan of €5,100,000 at 2% interest per annum due on July 31, 2014.

Pursuant to the terms of the new convertible loan agreement, the principal amount of the loans and accrued interest thereon were to be converted into additional Series D preferred shares or into a future higher class series of preferred shares, if any, at a fixed price in the event that (i) a Series E financing round was completed prior to July 31, 2014 (or such later date as agreed between the Lenders and us), (ii) an initial public offering was completed prior to the closing of a Series E financing round, or (iii) if neither a Series E financing round nor an initial public offering had closed by July 31, 2014 (or such later date as agreed between the Lenders and us).

As a result of the Series E Financing Agreement (as defined below), the principal amount of the loans and accrued interest thereon were converted into new Series E preferred shares.

Series E investment agreement

On June 24, 2014, we entered into an investment agreement (the Series E Financing Agreement) with the Lenders pursuant to which we agreed to issue and sell Series E preferred shares in exchange for an aggregate contribution of €11,702,072, which includes the contribution of the existing €5,100,000 convertible loan and interest thereon together with the adjustment of the purchase price of the Series E preferred shares issued in the first tranche of the Series E Financing from €95.19 per share to a price per share equal to 80% of the low end of the price range for this offering printed on the cover page of this prospectus (the Series E Financing). The Series E Financing is divided into two tranches.

In the first tranche, the Lenders agreed to contribute the principal amount of the existing €5,100,000 convertible loan and interest thereon and invest an additional €3,000,000 in cash. Upon signing the Series E Financing Agreement, the Lenders contributed to us €2,913,833 in cash. As a second step of the first tranche, the Lenders subscribed for 86,167 Series E preferred shares on July 14, 2014. In conjunction with this subscription, the Lenders contributed to us €86,167 in cash, which is the nominal amount of the shares issued in consideration of the contribution of the convertible loan and interest thereon and the shares to be purchased with the new funds. We issued to the Lenders 86,167 Series E preferred shares, and the Lenders contributed to us the convertible loan and interest thereon. The price per Series E preferred share in the first tranche was approximately €95.19 per share, subject to adjustment as described below.

Pursuant to the Series E Financing Agreement, new investors (together with the Lenders, the Investors) who are approved by holders of 70% of the Series E preferred shares and Series D preferred shares held by the Lenders voting together as a single class may be invited to subscribe for additional Series E preferred shares. The price per each such Series E preferred share in the first tranche would be approximately €95.19, subject to adjustment as described below. Any such new investor's investment would be split 70.09% and 29.91% between the first and second tranches, respectively.

In the second tranche, the Lenders agreed to make an additional investment in the amount of €3,500,000 between the pricing and the closing of our initial public offering, if our initial public offering closes on or before October 31, 2014, or on November 1, 2014 if our initial public offering has not closed before

October 31, 2014. Any new investors would also participate in the second tranche on the same terms as the Lenders. We anticipate that (a) there will be no new Series E investors and (b) the Lenders will waive the second tranche of the Series E Financing prior to the commencement of this offering.

In the event that our initial public offering closes on or before October 31, 2014, the price per Series E preferred share issued in the first tranche will be adjusted, to be 80% of the low end of the range on the front cover of this prospectus. In the event that our initial public offering has not closed on or before October 31, 2014, the price per Series E preferred share issued in the first tranche will be adjusted to be approximately €30.89.

Perceptive warrants

On July 24, 2014, Affimed Therapeutics AG entered into a loan agreement for a loan facility (the "Facility") with an affiliate of Perceptive Advisors LLC ("Perceptive"). The Facility provides for aggregate funding of $14.0 million, including $5.5 million in initial funding and up to an additional $8.5 million of capital available in subsequent tranches. Under the loan agreement, we are obligated to grant Perceptive warrants to purchase our common shares (the "Perceptive warrants"). Following the closing of this offering, we will issue to Perceptive $935,000 of warrants. If and when we make any additional draw under the Facility, we will issue to Perceptive an additional $1,445,000 of warrants. The number of warrants issued will be the dollar amount of warrants divided by the adjusted Series E preferred share price agreed in the Series E Financing, that is, 80% of the low end of the price range for this offering printed on the cover page of this prospectus. This will also be the exercise price for the warrants. Based on the price range stated on the front cover of this prospectus and assuming an offering price at the midpoint of the range, we anticipate issuing Perceptive warrants upon the closing of this offering and warrants if we subsequently draw any amount under the Facility at the time of any such draw, each at an exercise price of $.

The Series D and Series E preferred shares and Perceptive warrants were issued and sold in reliance upon the exemption from registration under Section 4(a)(2) of the Securities Act. We have used and intend to use the proceeds from these offerings for research and development and general corporate purposes.

Item 8. Exhibits

(a) The following documents are filed as part of this registration statement:

EXHIBIT NO.	EXHIBIT
1.1	Form of Underwriting Agreement
3.1***	Form of Articles of Association of Affimed N.V.
4.1***	Form of Registration Rights Agreement
4.2	Form of Share Issue Deed
5.1***	Opinion of De Brauw Blackstone Westbroek N.V., Dutch counsel of Affimed Therapeutics B.V., as to the validity of the common shares
8.1***	Opinion of De Brauw Blackstone Westbroek N.V., counsel of Affimed Therapeutics B.V., as to Dutch tax matters
8.2***	Opinion of Hengeler Mueller, counsel of Affimed Therapeutics B.V., as to German tax matters
8.3**	Opinion of Davis Polk & Wardwell LLP, as to U.S. tax matters
10.1†**	License Agreement, dated September 29, 2006 between Affimed Therapeutics AG and XOMA Ireland Limited.

EXHIBIT NO.	EXHIBIT
10.2†**	License Agreement, dated March 8, 2001 between Affimed Therapeutics AG and Deutsches Krebsforschungszentrum (DKFZ).
10.3**	Memorandum of Clarification of License Agreement Signed Between Affimed Therapeutics AG and Deutsches Krebsforschungszentrum (DKFZ), dated March 8, 2001.
10.4†**	Amendment to License Agreement, dated June 13, 2006 between Affimed Therapeutics AG and Deutsches Krebsforschungszentrum (DKFZ).
10.5†**	Amended and Restated License and Development Agreement dated July 11, 2013 between Affimed Therapeutics AG and Amphivena Therapeutics, Inc.
10.6†**	Research Funding Agreement dated August 15, 2013 between Affimed Therapeutics AG and The Leukemia and Lymphoma Society.
10.7†**	Amendment No. 1 to the Research Funding Agreement, dated April 29, 2014 between Affimed Therapeutics AG and The Leukemia and Lymphoma Society.
10.8**	English language summary of Lease Agreement, dated September 19, 2000 and amendments thereto between Affimed Therapeutics AG and Technologiepark Heidelberg II GmbH & Co. KG.
10.9**	Lease Contract dated October 1, 2009, between Abcheck s.r.o. and Vědeckotechnický park Plzeń a.s.
10.10**	Amendment No. 4 to Lease Contract dated October 1, 2009, between Abcheck s.r.o. and Vědeckotechnický park Plzeñ a.s., dated June 30, 2011.
10.11**	Amendment No. 5 to Lease Contract dated October 1, 2009, between Abcheck s.r.o. and Vědeckotechnický park Plzeñ a.s., dated November 14, 2012.
10.12	Investment Agreement Series D Round of Financing, Affimed Therapeutics AG, Heidelberg, Germany, dated September 24, 2012
10.13	Investment Agreement Pre-IPO Financing, Affimed Therapeutics AG, Heidelberg, Germany, dated June 24, 2014
10.14	Convertible Bridge Loan Agreement, dated June 28, 2013 by and between the shareholders party thereto and Affimed Therapeutics AG
10.15	Amendment to Investment Agreement Pre-IPO Financing, Affimed Therapeutics AG, Heidelberg, Germany
10.16	Form of Supervisory Director and Managing Director Indemnification Agreement.
10.17	Term Facility Agreement between Affimed Therapeutics AG and PCOF 1, LLC dated as of 24 July 2014
21.1**	List of subsidiaries
23.1	Consent of KPMG AG Wirtschaftsprüfungsgesellschaft, independent registered public accounting firm
23.2***	Consent of De Brauw Blackstone Westbroek N.V. (included in Exhibit 5.1)
23.3***	Consent of De Brauw Blackstone Westbroek N.V. (included in Exhibit 8.1)
23.4***	Consent of Hengeler Mueller (included in Exhibit 8.2)
23.5**	Consent of Davis Polk & Wardwell LLP (included in Exhibit 8.3)

EXHIBIT NO.	EXHIBIT
23.6	Consent of KPMG AG Wirtschaftsprüfungsgesellschaft, independent registered public accounting firm
24.1**	Powers of attorney (included on signature page to the registration statement)
99.1**	Consent of Thomas Hecht, as supervisory director nominee
99.2**	Consent of Frank Mühlenbeck, as supervisory director nominee
99.3**	Consent of Michael B. Sheffery, as supervisory director nominee
99.4**	Consent of Richard B. Stead, as supervisory director nominee
99.5	Consent of Ferdinand Verdonck, as supervisory board nominee
99.6	Consent of Berndt Modig, as supervisory board nominee

** Filed as part of this registration statement on Form F-1 (Registration no. 333-197097) on June 27, 2014.

*** Filed as part of this registration statement on Form F-1 (Registration no. 333-197097) on July 17, 2014.

† Confidential treatment requested as to portions of the exhibit. Confidential materials omitted and filed separately with the Securities and Exchange Commission.

(b) Financial Statement Schedules

None.

Item 9. Undertakings

The undersigned hereby undertakes:

(a) The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the U.S. Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Heidelberg, Germany on August 19, 2014.

Affimed Therapeutics B.V.

By: /s/ Adi Hoess
Name: Adi Hoess
Title: Chief Executive Officer

By: /s/ Florian Fischer
Name: Florian Fischer
Title: Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons on August 19, 2014 in the capacities indicated:

NAME	TITLE
/s/ Adi Hoess Adi Hoess	Chief Executive Officer (principal executive officer)
/s/ Florian Fischer Florian Fischer	Chief Financial Officer (principal financial officer and principal accounting officer)
/s/ Adi Hoess Adi Hoess	Director
/s/ Florian Fischer Florian Fischer	Director
* Colleen A. DeVries SVP of National Corporate Research, Ltd.	Authorized Representative in the United States

*By: /s/ Florian Fischer
Florian Fischer, Attorney-in-Fact

EXHIBIT INDEX

The following documents are filed as part of this registration statement:

EXHIBIT NO.	EXHIBIT
1.1	Form of Underwriting Agreement
3.1***	Form of Articles of Association of Affimed N.V.
4.1***	Form of Registration Rights Agreement
4.2	Form of Share Issue Deed
5.1***	Opinion of De Brauw Blackstone Westbroek N.V., Dutch counsel of Affimed Therapeutics B.V., as to the validity of the common shares
8.1***	Opinion of De Brauw Blackstone Westbroek N.V., counsel of Affimed Therapeutics B.V., as to Dutch tax matters
8.2***	Opinion of Hengeler Mueller, counsel of Affimed Therapeutics B.V., as to German tax matters
8.3**	Opinion of Davis Polk & Wardwell LLP, as to U.S. tax matters
10.1†**	License Agreement, dated September 29, 2006 between Affimed Therapeutics AG and XOMA Ireland Limited.
10.2†**	License Agreement, dated March 8, 2001 between Affimed Therapeutics AG and Deutsches Krebsforschungszentrum (DKFZ).
10.3**	Memorandum of Clarification of License Agreement Signed Between Affimed Therapeutics AG and Deutsches Krebsforschungszentrum (DKFZ), dated March 8, 2001.
10.4†**	Amendment to License Agreement, dated June 13, 2006 between Affimed Therapeutics AG and Deutsches Krebsforschungszentrum (DKFZ).
10.5†**	Amended and Restated License and Development Agreement dated July 11, 2013 between Affimed Therapeutics AG and Amphivena Therapeutics, Inc.
10.6†**	Research Funding Agreement dated August 15, 2013 between Affimed Therapeutics AG and The Leukemia and Lymphoma Society.
10.7†**	Amendment No. 1 to the Research Funding Agreement, dated April 29, 2014 between Affimed Therapeutics AG and The Leukemia and Lymphoma Society.
10.8**	English language summary of Lease Agreement between Affimed Therapeutics AG and Technologiepark Heidelberg II GmbH & Co. KG.
10.9**	Lease Contract dated October 1, 2009, between Abcheck s.r.o. and Vědeckotechnický park Plzeń a.s.
10.10**	Amendment No. 4 to Lease Contract dated October 1, 2009, between Abcheck s.r.o. and Vìdeckotechnický park Plzeñ a.s., dated June 30, 2011.
10.11**	Amendment No. 5 to Lease Contract dated October 1, 2009, between Abcheck s.r.o. and Vìdeckotechnický park Plzeñ a.s., dated November 14, 2012.
10.12	Investment Agreement Series D Round of Financing, Affimed Therapeutics AG, Heidelberg, Germany, dated September 24, 2012
10.13	Investment Agreement Pre-IPO Financing, Affimed Therapeutics AG, Heidelberg, Germany, dated June 24, 2014

EXHIBIT NO.	EXHIBIT
10.14	Convertible Bridge Loan Agreement, dated June 28, 2013 by and between the shareholders party thereto and Affimed Therapeutics AG
10.15	Amendment to Investment Agreement Pre-IPO Financing, Affimed Therapeutics AG, Heidelberg, Germany
10.16	Form of Supervisory Director and Managing Director Indemnification Agreement.
10.17	Term Facility Agreement between Affimed Therapeutics AG and PCOF 1, LLC dated as of 24 July 2014
21.1**	List of subsidiaries
23.1	Consent of KPMG AG Wirtschaftsprüfungsgesellschaft, independent registered public accounting firm
23.2***	Consent of De Brauw Blackstone Westbroek N.V. (included in Exhibit 5.1)
23.3***	Consent of De Brauw Blackstone Westbroek N.V. (included in Exhibit 8.1)
23.4***	Consent of Hengeler Mueller (included in Exhibit 8.2)
23.5**	Consent of Davis Polk & Wardwell LLP (included in Exhibit 8.3)
23.6	Consent of KPMG AG Wirtschaftsprüfungsgesellschaft, independent registered public accounting firm
24.1**	Powers of attorney (included on signature page to the registration statement)
99.1**	Consent of Thomas Hecht, as supervisory director nominee
99.2**	Consent of Frank Mühlenbeck, as supervisory director nominee
99.3**	Consent of Michael B. Sheffery, as supervisory director nominee
99.4**	Consent of Richard B. Stead, as supervisory director nominee
99.5	Consent of Ferdinand Verdonck, as supervisory board nominee
99.6	Consent of Berndt Modig, as supervisory board nominee

** Filed as part of this registration statement on Form F-1 (Registration no. 333-197097) on June 27, 2014.
*** Filed as part of this registration statement on Form F-1 (Registration no. 333-197097) on July 17, 2014.
† Confidential treatment requested as to portions of the exhibit. Confidential materials omitted and filed separately with the Securities and Exchange Commission.

Exhibit 1.1

Affimed Therapeutics B.V.
[—] Common Shares
(Par Value €0.01 Per Share)
UNDERWRITING AGREEMENT

[—], 2014

JEFFERIES LLC
LEERINK PARTNERS LLC
As Representatives of the several Underwriters

c/o JEFFERIES LLC
520 Madison Avenue
New York, New York 10022

c/o LEERINK PARTNERS LLC
299 Park Avenue, 21st Floor
New York, NY 10171

Ladies and Gentlemen:

Introductory. Affimed Therapeutics B.V., a company incorporated under the laws of the Netherlands (the "**Company**"), proposes to issue and sell to the several underwriters named in Schedule A (the "**Underwriters**") an aggregate of [—] common shares, par value €0.01 per share (the "**Common Shares**"). The [—] Common Shares to be sold by the Company are called the "**Firm Shares**." In addition, the Company has granted to the Underwriters an option to purchase up to an additional [—] Common Shares as provided in Section 2. The additional [—] Common Shares to be sold pursuant to such option are called the "**Optional Shares**." The Firm Shares and, if and to the extent such option is exercised, the Optional Shares are collectively called the "**Offered Shares**." Jefferies LLC ("**Jefferies**") and Leerink Partners LLC ("**Leerink**") have agreed to act as representatives of the several Underwriters (in such capacity, the "**Representatives**") in connection with the offering and sale of the Offered Shares. To the extent there are no additional underwriters listed on Schedule A, the term "Representatives" as used herein shall mean you, as Underwriters, and the term "Underwriters" shall mean either the singular or the plural, as the context requires.

The Company has prepared and filed with the Securities and Exchange Commission (the "**Commission**") a registration statement on Form F-1, File No. 333-197097 which contains a form of prospectus to be used in connection with the public offering and sale of the Offered Shares. Such registration statement, as amended, including the financial statements, exhibits and schedules thereto, in the form in which it became effective under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (collectively, the "**Securities Act**"), including any information deemed to be a part thereof at the time of effectiveness pursuant to Rule 430A under the Securities Act, is called the "**Registration Statement**." Any registration statement filed by the Company pursuant to Rule 462(b) under the Securities Act in connection with the offer and sale of the Offered Shares is called the "**Rule 462(b) Registration Statement**," and from and after the date and time of filing of any such Rule 462(b) Registration Statement the term "Registration Statement" shall include the Rule 462(b) Registration Statement. The Company has prepared and filed, in accordance with Section 12 of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "**Exchange Act**"), a registration statement (as amended, the "**Exchange Act Registration Statement**") on Form 8-A (File No. [—]) under the Exchange Act to register, under Section 12(b) of the Exchange Act,

the class of securities consisting of the Common Shares. The prospectus, in the form first used by the Underwriters to confirm sales of the Offered Shares or in the form first made available to the Underwriters by the Company to meet requests of purchasers pursuant to Rule 173 under the Securities Act is called the "**Prospectus.**" The preliminary prospectus, dated [—], 2014 describing the Offered Shares and the offering thereof is called the "**Preliminary Prospectus**," and the Preliminary Prospectus and any other prospectus in preliminary form that describes the Offered Shares and the offering thereof and is used prior to the filing of the Prospectus is called a "**preliminary prospectus.**" As used herein, "**Applicable Time**" is [—][a.m.][p.m.] (New York City time) on [—], 2014. As used herein, "**free writing prospectus**" has the meaning set forth in Rule 405 under the Securities Act, and "**Time of Sale Prospectus**" means the Preliminary Prospectus, together with the free writing prospectuses, if any, identified in Schedule B hereto. As used herein, **"Road Show"** means a "road show" (as defined in Rule 433 under the Securities Act) relating to the offering of the Offered Shares contemplated hereby that is a "written communication" (as defined in Rule 405 under the Securities Act). As used herein, "**Section 5(d) Written Communication**" means each written communication (within the meaning of Rule 405 under the Securities Act) that is made in reliance on Section 5(d) of the Securities Act by the Company or any person authorized to act on behalf of the Company to one or more potential investors that are qualified institutional buyers ("**QIBs**") and/or institutions that are accredited investors ("**IAIs**"), as such terms are respectively defined in Rule 144A and Rule 501(a) under the Securities Act, to determine whether such investors might have an interest in the offering of the Offered Shares; "**Section 5(d) Oral Communication**" means each oral communication, if any, made in reliance on Section 5(d) of the Securities Act by the Company or any person authorized to act on behalf of the Company made to one or more QIBs and/or one or more IAIs to determine whether such investors might have an interest in the offering of the Offered Shares; "**Marketing Materials**" means any materials or information provided to investors by, or with the approval of, the Company in connection with the marketing of the offering of the Offered Shares, including any roadshow or investor presentations made to investors by the Company (whether in person or electronically); and "**Permitted Section 5(d) Communication**" means the Section 5(d) Written Communication(s) and Marketing Materials listed on Schedule C attached hereto.

On the date hereof, the business of the Company is conducted through Affimed Therapeutics AG, a company incorporated under the laws of Germany ("**Affimed**"). Prior to the First Closing Date (as hereinafter defined), the Company plans to consummate a corporate reorganization consisting of the transactions described under the caption "Corporate Reorganization" in the Registration Statement, the Time of Sale Prospectus and the Prospectus (the "**Corporate Reorganization**").

All references in this Agreement to (i) the Registration Statement, any preliminary prospectus (including the Preliminary Prospectus) or the Prospectus, or any amendments or supplements to any of the foregoing, or any free writing prospectus, shall include any copy thereof filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval System ("**EDGAR**") and (ii) the Prospectus shall be deemed to include any "electronic Prospectus" provided for use in connection with the offering of the Offered Shares as contemplated by Section 3(m) of this Agreement.

In the event that the Company has only one subsidiary, then all references herein to "subsidiaries" of the Company shall be deemed to refer to such single subsidiary, mutatis mutandis.

The Company and Affimed each hereby confirms their respective agreements with the Underwriters as follows:

Section 1. Representations and Warranties of the Company and Affimed. For purposes of construction in this Section 1, Affimed and its subsidiaries shall be deemed to be subsidiaries of the Company as of the date of this Agreement and at all times prior to the date of this Agreement. In this Section 1, references to the Company's knowledge, belief or awareness shall mean the knowledge,

belief or awareness of each of the Company and Affimed. Each of the Company and Affimed represent, warrant and covenant, jointly and severally, to each Underwriter, as of the date of this Agreement, as of the First Closing Date (as hereinafter defined) and as of each Option Closing Date (as hereinafter defined), if any, as follows:

(a) ***Compliance with Registration Requirements*****.** The Registration Statement has become effective under the Securities Act. The Exchange Act Registration Statement has become effective under the Exchange Act. The Company has complied, to the Commission's satisfaction, with all requests of the Commission for additional or supplemental information, if any. No stop order suspending the effectiveness of the Registration Statement is in effect and, to the knowledge of the Company, no proceedings for such purpose have been instituted, are pending or are contemplated or threatened by the Commission.

(b) ***Disclosure*****.** Each preliminary prospectus and the Prospectus when filed complied in all material respects with the Securities Act and, if filed by electronic transmission pursuant to EDGAR, was identical (except as may be permitted by Regulation S-T under the Securities Act) to the copy thereof delivered to the Underwriters for use in connection with the offer and sale of the Offered Shares. Each of the Registration Statement and any post-effective amendment thereto, at the time it became or becomes effective, complied and will comply in all material respects with the Securities Act and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. As of the Applicable Time, the Time of Sale Prospectus (including any preliminary prospectus wrapper) did not, and at the First Closing Date (as defined in Section 2) and at each applicable Option Closing Date (as defined in Section 2), will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Prospectus (including any Prospectus wrapper), as of its date, did not, and at the First Closing Date and at each applicable Option Closing Date, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties set forth in the three immediately preceding sentences do not apply to statements in or omissions from the Registration Statement or any post-effective amendment thereto, or the Prospectus or the Time of Sale Prospectus, or any amendments or supplements thereto, made in reliance upon and in conformity with written information relating to any Underwriter furnished to the Company in writing by the Representatives expressly for use therein, it being understood and agreed that the only such information consists of the information described in Section 9(b) below. There are no contracts or other documents required to be described in the Time of Sale Prospectus or the Prospectus or to be filed as an exhibit to the Registration Statement which have not been described or filed as required.

(c) ***Free Writing Prospectuses; Road Show*****.** As of the determination date referenced in Rule 164(h) under the Securities Act, the Company was not, is not or will not be (as applicable) an "ineligible issuer" in connection with the offering of the Offered Shares pursuant to Rules 164, 405 and 433 under the Securities Act. Each free writing prospectus that the Company is required to file pursuant to Rule 433(d) under the Securities Act has been, or will be, filed with the Commission in accordance with the requirements of the Securities Act. Each free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act or that was prepared by or on behalf of or used or referred to by the Company complies or will comply in all material respects with the requirements of Rule 433 under the Securities Act, including timely filing with the Commission or retention where required and legending, and each such free writing prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Shares did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement, the Prospectus or any preliminary prospectus and not

superseded or modified. Except for the free writing prospectuses, if any, identified in Schedule B, and electronic road shows, if any, furnished to you before first use, the Company has not prepared, used or referred to, and will not, without your prior written consent, prepare, use or refer to, any free writing prospectus. Each Road Show, when considered together with the Time of Sale Prospectus, did not, as of the Applicable Time, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) ***Distribution of Offering Material By the Company*****.** Prior to the later of (i) the expiration or termination of the option granted to the several Underwriters in Section 2, (ii) the completion of the Underwriters' distribution of the Offered Shares and (iii) the expiration of 25 days after the date of the Prospectus, the Company has not distributed and will not distribute any offering material in connection with the offering and sale of the Offered Shares other than the Registration Statement, the Time of Sale Prospectus, the Prospectus or any free writing prospectus reviewed and consented to by the Representatives, the free writing prospectuses, if any, identified on Schedule B hereto and any Permitted Section 5(d) Communications.

(e) ***The Underwriting Agreement*****.** This Agreement has been duly authorized, executed and delivered by the Company and Affimed.

(f) ***Authorization of the Offered Shares*****.** The Offered Shares have been duly authorized for issuance and sale pursuant to this Agreement and, when issued and delivered by the Company against payment therefor pursuant to this Agreement, will be validly issued, fully paid and nonassessable, and the issuance and sale of the Offered Shares is not subject to any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase the Offered Shares which have not been duly excluded, waived or satisfied. Upon the sale and delivery to the Underwriters of the Offered Shares, and payment therefor, the Underwriters will acquire good, marketable and valid title to such Offered Shares, free and clear of all pledges, liens, security interests, charges, claims or encumbrances.

(g) ***No Applicable Registration or Other Similar Rights*****.** Except as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, there are no persons with registration or other similar rights to have any equity or debt securities registered for sale under the Registration Statement or included in the offering contemplated by this Agreement, except for such rights as have been duly withdrawn or waived.

(h) ***No Material Adverse Change*****.** Except as otherwise disclosed in the Registration Statement, the Time of Sale Prospectus and the Prospectus, subsequent to the respective dates as of which information is given in the Registration Statement, the Time of Sale Prospectus and the Prospectus: (i) there has been no material adverse change, or any development that could reasonably be expected to result in a material adverse change, in the condition, financial or otherwise, or in the earnings, business, properties, operations, assets, liabilities or prospects, whether or not arising from transactions in the ordinary course of business, of the Company and its subsidiaries, considered as one entity (any such change being referred to herein as a "**Material Adverse Change**"); (ii) the Company and its subsidiaries, considered as one entity, has not incurred any material liability or obligation, indirect, direct or contingent, including without limitation any losses or interference with its business from fire, explosion, flood, earthquakes, accident or other calamity, whether or not covered by insurance, or from any strike, labor dispute or court or governmental action, order or decree, that are material, individually or in the aggregate, to the Company and its subsidiaries, considered as one entity, or have entered into any material transactions not in the ordinary course of business; and (iii) there has not been any material decrease in the capital stock or any material increase in any short-term or long-term indebtedness of the Company or its subsidiaries and there has been no dividend or distribution of any kind declared, paid or made by the

Company or, except for dividends paid to the Company or other subsidiaries, by any of the Company's subsidiaries on any class of capital stock, or any repurchase or redemption by the Company or any of its subsidiaries of any class of capital stock.

(i) ***Independent Accountants.*** KPMG AG Wirtschaftsprüfungsgesellschaft, which has expressed its opinion with respect to the financial statements (which term as used in this Agreement includes the related notes thereto) filed with the Commission as a part of the Registration Statement, the Time of Sale Prospectus and the Prospectus, is (i) an independent registered public accounting firm as required by the Securities Act and the rules of the Public Company Accounting Oversight Board ("**PCAOB**"), (ii) in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X under the Securities Act and (iii) a registered public accounting firm as defined by the PCAOB whose registration has not been suspended or revoked and who has not requested such registration to be withdrawn.

(j) ***Financial Statements.*** The financial statements filed with the Commission as a part of the Registration Statement, the Time of Sale Prospectus and the Prospectus present fairly, in all material respects, the consolidated financial position of Affimed and its subsidiaries as of the dates indicated and the results of their operations, changes in shareholders' equity and cash flows for the periods specified. Such financial statements have been prepared in conformity with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") applied on a consistent basis throughout the periods involved, except as may be expressly stated in the related notes thereto or as otherwise disclosed therein, and, in the case of audited, interim financial statements, subject to normal year-end audit adjustments and the exclusion of certain footnotes. No other financial statements or supporting schedules are required to be included in the Registration Statement, the Time of Sale Prospectus or the Prospectus. The financial data set forth in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus under the captions "Prospectus Summary—Summary Consolidated Historical and other Financial Information," "Selected Consolidated Financial Information" and "Capitalization" present fairly, in all material respects, the information set forth therein on a basis consistent with that of the audited financial statements contained in the Registration Statement, the Time of Sale Prospectus and the Prospectus. All disclosures contained in the Registration Statement, any preliminary prospectus or the Prospectus and any free writing prospectus that constitute non-GAAP financial measures (as defined by the rules and regulations under the Securities Act and the Exchange Act) comply with Regulation G under the Exchange Act and Item 10 of Regulation S-K under the Securities Act, as applicable. To the Company's knowledge, no person who has been suspended or barred from being associated with a registered public accounting firm, or who has failed to comply with any sanction pursuant to Rule 5300 promulgated by the PCAOB, has participated in or otherwise aided the preparation of, or audited, the financial statements, supporting schedules or other financial data filed with the Commission as a part of the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(k) ***Company's Accounting System.*** The Company and each of its subsidiaries make and keep accurate books and records and maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS as issued by the IASB and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(l) ***Disclosure Controls and Procedures; Deficiencies in or Changes to Internal Control Over Financial Reporting.*** The Company and Affimed have established and maintain disclosure controls

and procedures (as defined in Rules 13a-15 and 15d-15 under the Exchange Act), which (i) are designed to ensure that material information relating to the Company or Affimed, including any consolidated subsidiaries, is made known to the Company's or Affimed's principal executive officer and its principal financial officer by others within those entities, particularly during the periods in which the periodic reports required under the Exchange Act are being prepared and (ii) are effective in all material respects to perform the functions for which they were established. Except as otherwise disclosed in the Registration Statement, the Time of Sale Prospectus and the Prospectus, since the end of the Company's or Affimed's most recent audited fiscal year, there have been no significant deficiencies or material weaknesses in the Company's or Affimed's internal control over financial reporting (whether or not remediated) and no change in the Company's or Affimed's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's or Affimed's internal control over financial reporting. Each of the Company and Affimed is not aware of any change in the Company's or Affimed's internal control over financial reporting that has occurred during the Company's or Affimed's most recent fiscal quarter that has materially and adversely affected, or is reasonably likely to materially and adversely affect, the Company's or Affimed's internal control over financial reporting.

(m) ***Incorporation of the Company and Affimed.*** Each of the Company and Affimed has been duly incorporated and is existing under the laws of the jurisdiction of its organization and has the corporate power and authority to own, lease and operate its properties and to conduct its business in accordance with its stated objectives in the articles of association as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus and to enter into and perform its obligations under this Agreement. Each of the Company and Affimed is duly qualified as a foreign corporation to transact business and is in good standing (where such concept exists) in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business.

(n) ***Subsidiaries.*** Each of the Company's "subsidiaries" (for purposes of this Agreement, as defined in Rule 405 under the Securities Act) has been duly incorporated or organized, as the case may be, and is validly existing as a corporation, partnership or limited liability company, as applicable, in good standing (where such concept exists) under the laws of the jurisdiction of its incorporation or organization and has the power and authority (corporate or other) to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus. Each of the Company's subsidiaries is duly qualified as a foreign corporation, partnership or limited liability company, as applicable, to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to be so qualified or in good standing (where such concept exists) could not, individually or in the aggregate, result in a material adverse effect on the condition (financial or other), earnings, business, properties, operations, assets, liabilities or prospects of the Company and its subsidiaries, considered as one entity (a "**Material Adverse Effect**"). All of the issued and outstanding capital stock or other equity or ownership interests of each of the Company's subsidiaries has been duly authorized and validly issued, is fully paid and nonassessable and immediately after the Corporate Reorganization, will be owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance or adverse claim. Immediately after the Corporate Reorganization, the Company will not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in or included as an exhibit to the Registration Statement.

(o) ***Capitalization and Other Share Capital Matters.*** The authorized, issued and outstanding share capital of the Company is, and upon completion of the Corporate Reorganization will be, as set forth in the Registration Statement, the Time of Sale Prospectus and the Prospectus under the caption "Capitalization" (other than for subsequent issuances, if any, pursuant to equity compensation plans or

arrangements, or upon the exercise of outstanding phantom equity, rights to receive shares, options or conversion rights, in each case described in the Registration Statement, the Time of Sale Prospectus and the Prospectus). The share capital of the Company, including the Common Shares and the Offered Shares, conforms in all material respects to each description thereof contained in the Time of Sale Prospectus. All of the issued and outstanding Common Shares have been (except that all shares that are or may be issued pursuant to any equity compensation plan or arrangement, when vested or settled in accordance with the respective terms thereof, or that are issued upon the exercise of option or conversion rights, will be) duly authorized and validly issued, are fully paid and nonassessable and have been issued in compliance with all applicable securities laws. None of the outstanding Common Shares was issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of the Company or Affimed. There are no authorized or outstanding phantom equity, rights to receive shares, options, conversion rights, warrants, preemptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for or that can be settled in, any share capital of the Company or any of its subsidiaries other than those described in the Registration Statement, the Time of Sale Prospectus and the Prospectus. The descriptions of the Company's equity compensation plans or arrangements, and the phantom equity, rights to receive shares, options or other rights granted thereunder, set forth in the Registration Statement, the Time of Sale Prospectus and the Prospectus accurately and fairly presents the information required to be shown with respect to such plans, arrangements, equity, options and rights.

(p) ***Stock Exchange Listing*****.** The Offered Shares have been approved for listing on The NASDAQ Global Market (the "**NASDAQ**"), subject only to official notice of issuance.

(q) ***Non-Contravention of Existing Instruments; No Further Authorizations or Approvals Required*****.** Neither the Company nor any of its subsidiaries is in violation of its articles of association or similar organizational documents, or is in default (or, with the giving of notice or lapse of time, would be in default) ("**Default**") under any indenture, loan, credit agreement, note, lease, license agreement, contract, franchise or other instrument (including, without limitation, any pledge agreement, security agreement, mortgage or other instrument or agreement evidencing, guaranteeing, securing or relating to indebtedness) to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of their respective properties or assets are subject (each, an "**Existing Instrument**"), except for such Defaults as would not be reasonably expected, individually or in the aggregate, to have a Material Adverse Effect. Each of the Company's and Affimed's execution, delivery and performance of this Agreement, consummation of the transactions contemplated hereby and by the Registration Statement, the Time of Sale Prospectus and the Prospectus and the issuance and sale of the Offered Shares (including the use of proceeds from the sale of the Offered Shares as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus under the caption "Use of Proceeds") (i) have been duly authorized by all necessary corporate action and will not result in any violation of the provisions of the articles of association or by-laws, partnership agreement or operating agreement or similar organizational documents, as applicable, of the Company or any subsidiary (including but not limited to any change of control or other violation as a result of the Corporate Reorganization) (ii) will not conflict with or constitute a breach of, or Default or a Debt Repayment Triggering Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, or require the consent of any other party to, any Existing Instrument and (iii) will not result in any violation of any law, administrative regulation or administrative or court decree applicable to the Company or any of its subsidiaries, except as to clause (ii) and (iii) above as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. No consent, approval, authorization or other order of, or registration or filing with, any court or other governmental or regulatory authority or agency, is required for, or in connection with, the Company's or Affimed's execution, delivery and performance of this Agreement and consummation of the transactions contemplated hereby and by the Registration

Statement, the Time of Sale Prospectus and the Prospectus, except such as have been obtained or made by the Company and are in full force and effect under the Securities Act and such as may be required under applicable state securities or blue sky laws or FINRA and, prior to the First Closing Date, for the court order required in connection with the Corporate Reorganization. As used herein, a "**Debt Repayment Triggering Event**" means any event or condition which gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(r) ***Compliance with Laws.*** The Company and its subsidiaries have been and are in compliance with all applicable laws, rules and regulations, except where failure to be so in compliance could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(s) ***No Material Actions or Proceedings.*** There is no action, suit, proceeding, inquiry or investigation brought by or before any governmental entity now pending or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which could reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect or materially and adversely affect the consummation of the transactions contemplated by this Agreement or the performance by the Company or Affimed of their respective obligations hereunder; and the aggregate of all pending legal or governmental proceedings to which the Company or any such subsidiary is a party or of which any of their respective properties or assets is the subject, including ordinary routine litigation incidental to the business, if determined adversely to the Company, could not reasonably be expected to have a Material Adverse Effect. There is no material labor dispute with the employees of the Company or any of its subsidiaries, or, to the knowledge of the Company, threatened against the Company or any of its subsidiaries, which could reasonably be expected to have a Material Adverse Effect.

(t) ***Intellectual Property Rights.*** The Company and its subsidiaries own, or have obtained valid and enforceable licenses for, the inventions, patent applications, patents, trademarks, trade names, service names, copyrights, trade secrets and other intellectual property (1) described in the Registration Statement, the Time of Sale Prospectus and the Prospectus as being owned or licensed by them or (2) which are necessary for the conduct of their respective businesses as currently conducted or as currently proposed in the Registration Statement, the Time of Sale Prospectus and the Prospectus to be conducted (collectively, "**Intellectual Property**") except in the case of clause (2) where the failure to own, possess or acquire such rights would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. Except as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus or as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, to the Company's knowledge: (i) there are no third parties who have rights to any Intellectual Property owned by or exclusively licensed to the Company or any of its subsidiaries, except for customary reversionary rights of third-party licensors; and (ii) there is no infringement by third parties of any Intellectual Property. Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others: (A) challenging the Company's or any of its subsidiaries' rights in or to any Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; (B) challenging the validity, enforceability or scope of any Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; or (C) asserting that the Company or any of its subsidiaries infringes or otherwise violates, or would, upon the commercialization of any product or service described in the Registration Statement, the Time of Sale Prospectus or the Prospectus as under development, infringe or violate, any patent, trademark, trade name, service name, copyright, trade secret or other proprietary rights of others, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim. Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, the Company and its subsidiaries have complied with the terms of each agreement pursuant to which Intellectual Property has been licensed to the Company or any subsidiary, and all such agreements are in full force and effect. The product candidates described in the

Registration Statement, the Time of Sale Prospectus and the Prospectus as under development by the Company or any of its subsidiaries fall within the scope of the claims of one or more patents owned by, or exclusively licensed to, the Company or any of its subsidiaries.

(u) ***All Necessary Permits, etc*****.** The Company and its subsidiaries possess such valid and current certificates, authorizations or permits required by state, federal or foreign regulatory agencies or bodies to conduct their respective businesses as currently conducted and as described in the Registration Statement, the Time of Sale Prospectus or the Prospectus ("**Permits**") except where the failure to possess any such certificate, authorization or permit would not reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any of the Permits or has received any notice of proceedings relating to the revocation or modification of, or non-compliance with, any such certificate, authorization or permit, except where such revocation or modification would not, individually or in the aggregate, reasonably be expected to a have a Material Adverse Effect.

(v) ***Title to Properties*****.** The Company and its subsidiaries have good and marketable title to all of the real and personal property and other assets reflected as owned in the financial statements referred to in Section 1(j) above (or elsewhere in the Registration Statement, the Time of Sale Prospectus or the Prospectus), in each case free and clear of any security interests, mortgages, liens, encumbrances, equities, adverse claims and other defects, except as otherwise disclosed in the Registration Statement, the Time of Sale Prospectus and the Prospectus or as could not reasonably be expected, individually or in the aggregate, to affect materially the value of such property and does not materially interfere with the use made or proposed to be made of such real and personal property and other assets by the Company and its subsidiaries or as could not reasonably be expected to have a Material Adverse Effect. The real property, improvements, equipment and personal property held under lease by the Company or any of its subsidiaries are held under valid and enforceable leases, with such exceptions as are not material and do not materially interfere with the use made or proposed to be made of such real property, improvements, equipment or personal property by the Company or such subsidiary.

(w) ***Tax Law Compliance*****.** The Company and its subsidiaries have filed all necessary federal, state and foreign income and franchise tax returns or have properly requested extensions thereof and have paid all taxes required to be paid by any of them and, if due and payable, any related or similar assessment, fine or penalty levied against any of them except (i) as may be being contested in good faith and by appropriate proceedings or (ii) where the failure to file or pay could not, individually or in the aggregate, have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole. The Company has made adequate charges, accruals and reserves in the applicable financial statements referred to in Section 1(j) above in respect of all federal, state and foreign income and franchise taxes for all periods as to which the tax liability of the Company or any of its subsidiaries has not been finally determined. No transaction, stamp, capital or other issuance, registration, transaction, transfer or withholding tax or duty is payable in the Netherlands by or on behalf of the Underwriters to any taxing authority in connection with (i) the issuance, sale and delivery of the Offered Shares by the Company; (ii) the purchase from the Company, and the initial sale and delivery by the Underwriters of the Offered Shares to purchasers thereof; (iii) the holding or transfer of the Offered Shares; or (iv) the execution and delivery of this Agreement or any other document to be furnished hereunder.

(x) ***Insurance*****.** Except as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, each of the Company and its subsidiaries are insured with policies in such amounts and with such deductibles and covering such risks as the Company reasonably deems adequate and customary for their businesses including, but not limited to, policies covering real and personal property owned or leased by the Company and its subsidiaries against theft, damage, destruction, acts of vandalism and earthquakes and policies covering the Company and its subsidiaries for product liability

claims and clinical trial liability claims. The Company has no reason to believe that it or any of its subsidiaries will not be able (i) to renew its existing insurance coverage as and when such policies expire or (ii) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that could not reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has been denied any insurance coverage which it has sought or for which it has applied.

(y) ***Compliance with Environmental Laws*****.** Except as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus and except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (i) neither the Company nor any of its subsidiaries is in violation of any applicable federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution, the protection of human health (but solely as it relates to the environment or exposure to pollutants), the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release into the environment of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**"); (ii) the Company and its subsidiaries have all permits, authorizations and approvals required to conduct their respective businesses under any applicable Environmental Laws and are each in compliance with their respective requirements; (iii) there are no pending or, to the Company's knowledge, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings related to any Environmental Law against the Company or any of its subsidiaries; and (iv) to the Company's knowledge, there are no events or circumstances that might reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or any of its subsidiaries relating to Hazardous Materials or any Environmental Laws.

(z) ***Company and Affimed Not an "Investment Company."*** Each of the Company and Affimed is not, and will not be, either after receipt of payment for the Offered Shares or after the application of the proceeds therefrom as described under "Use of Proceeds" in the Registration Statement, the Time of Sale Prospectus or the Prospectus, required to register as an "investment company" under the Investment Company Act of 1940, as amended (the **"Investment Company Act")**.

(aa) ***No Price Stabilization or Manipulation; Compliance with Regulation M*****.** Neither the Company nor any of its subsidiaries has taken, directly or indirectly (without giving any effect to the activities by the Underwriters), any action designed to or that might cause or result in stabilization or manipulation of the price of the Offered Shares or of any "reference security" (as defined in Rule 100 of Regulation M under the Exchange Act (**"Regulation M"**)) with respect to the Offered Shares, whether to facilitate the sale or resale of the Offered Shares or otherwise, and has taken no action which would directly or indirectly violate Regulation M.

(bb) ***Related-Party Transactions*****.** There are no business relationships or related-party transactions involving the Company or any of its subsidiaries or any other person required to be described in the Registration Statement, the Time of Sale Prospectus or the Prospectus that have not been described as required.

(cc) ***FINRA Matters*****.** All of the information provided to the Underwriters or to counsel for the Underwriters by the Company, its counsel, its officers and directors and, to the Company's

knowledge, the holders of any securities (debt or equity) or options to acquire any securities of the Company in connection with the offering of the Offered Shares is true, complete, correct and compliant with FINRA's rules in all material respects and any letters, filings or other supplemental information provided to FINRA by the Company pursuant to FINRA Rules or NASD Conduct Rules is true, complete and correct in all material respects.

(dd) ***Parties to Lock-Up Agreements*****.** The Company has furnished to the Underwriters a letter agreement in the form attached hereto as Exhibit A (the "**Lock-up Agreement**") from each of the persons listed on Exhibit B. Such Exhibit B lists under an appropriate caption the directors and executive officers of the Company and Affimed. If any additional persons shall become directors or executive officers of the Company or Affimed prior to the end of the Company Lock-up Period (as defined below), the Company shall cause each such person, prior to or contemporaneously with their appointment or election as a director or executive officer of the Company or Affimed, to execute and deliver to Jefferies a Lock-up Agreement.

(ee) ***Statistical and Market-Related Data*****.** All statistical, demographic and market-related data included in the Registration Statement, the Time of Sale Prospectus or the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate in all material respects. To the extent required, the Company has obtained the written consent to the use of such data from such sources.

(ff) ***No Unlawful Contributions or Other Payments*****.** Neither the Company nor any of its subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or any subsidiary, has made any contribution or other payment to any official of, or candidate for, any federal, state or foreign office in violation of any law or of the character required to be disclosed in the Registration Statement, the Time of Sale Prospectus or the Prospectus.

(gg) ***Foreign Corrupt Practices Act*****.** Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person acting on behalf of the Company or any of its subsidiaries has, in the course of its actions for, or on behalf of, the Company or any of its subsidiaries (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any domestic government official, "foreign official" (as defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "**FCPA**") or employee from corporate funds; (iii) violated or is in violation of any provision of the FCPA or any applicable non-U.S. anti-bribery statute or regulation; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any domestic government official, such foreign official or employee; and the Company and its subsidiaries and, to the knowledge of the Company, the Company's affiliates have conducted their respective businesses in compliance with the FCPA and will institute as of the First Closing Date and maintain policies and procedures designed to promote and achieve continued compliance therewith.

(hh) ***Money Laundering Laws*****.** The operations of the Company and its subsidiaries are, and have been conducted at all times, in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar applicable rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(ii) ***OFAC*****.** Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, after due inquiry, any director, officer, agent, employee, affiliate or person acting on behalf of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and the Company will not directly or indirectly use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, or any joint venture partner or other person or entity, for the purpose of financing the activities of or business with any person, or impermissibly in any country or territory, that currently is the subject to any U.S. sanctions administered by OFAC or in any other manner that will result in a violation by any person (including any person participating in the transaction whether as underwriter, advisor, investor or otherwise) of U.S. sanctions administered by OFAC.

(jj) ***Brokers*****.** Except pursuant to this Agreement and except as disclosed in the Registration Statement, the Time of Sale Prospectus and the Prospectus, there is no broker, finder or other party that is entitled to receive from the Company or Affimed any brokerage or finder's fee or other fee or commission as a result of any transactions contemplated by this Agreement.

(kk) ***Submission to Jurisdiction***. The Company has the power to submit, and pursuant to Section 18 of this Agreement, has legally, validly, effectively and irrevocably submitted, to the personal jurisdiction of each United States federal court and New York state court located in the Borough of Manhattan, in the City of New York, New York, U.S.A. (each, a "**New York Court**"), and the Company has the power to designate, appoint and authorize, and pursuant to Section 18 of this Agreement, has legally, validly, effectively and irrevocably designated, appointed and authorized an agent for service of process in any action arising out of or relating to this Agreement or the Offered Shares in any New York Court, and service of process effected on such authorized agent will be effective to confer valid personal jurisdiction over the Company as provided in Section 18 hereof.

(ll) ***No Rights of Immunity***. Except as provided by laws or statutes generally applicable to transactions of the type described in this Agreement, neither the Company nor any of its respective properties, assets or revenues has any right of immunity under the laws of the Netherlands, New York or United States law, from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from set-off or counterclaim, from the jurisdiction of any Netherlands, New York or United States federal court, from service of process, attachment upon or prior judgment, or attachment in aid of execution of judgment, or from execution of a judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of a judgment, in any such court, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with this Agreement. To the extent that the Company or any of its respective properties, assets or revenues may have or may hereafter become entitled to any such right of immunity in any such court in which proceedings may at any time be commenced, the Company waives or will waive such right to the extent permitted by law and has consented to such relief and enforcement as provided in Section 18 of this Agreement.

(mm) ***Forward-Looking Statements.*** Each financial or operational projection or other "forward-looking statement" (as defined by Section 27A of the Securities Act or Section 21E of the Exchange Act) contained in the Registration Statement, the Time of Sale Prospectus or the Prospectus (i) was so included by the Company in good faith and with reasonable basis after due consideration by the Company of the underlying assumptions, estimates and other applicable facts and circumstances and (ii) is accompanied by meaningful cautionary statements identifying those factors that could cause actual results to differ materially from those in such forward-looking statement. No such statement was made with the knowledge of an executive officer or director of the Company that is was false or misleading.

(nn) ***Foreign Private Issuer.*** The Company is a "foreign private issuer" within the meaning of Rule 405 under the Securities Act.

(oo) ***Emerging Growth Company Status.*** From the time of initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged in any Section 5(d) Written Communication or any Section 5(d) Oral Communication) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a)(19) of the Securities Act (an "**Emerging Growth Company**").

(pp) ***Communications.*** The Company (i) has not alone engaged in communications with potential investors in reliance on Section 5(d) of the Securities Act other than Permitted Section 5(d) Communications with the consent of the Representatives with entities that are QIBs or IAIs and (ii) has not authorized anyone other than the Representatives to engage in such communications; the Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Marketing Materials, Section 5(d) Oral Communications and Section 5(d) Written Communications; as of the Applicable Time, each Permitted Section 5(d) Communication, when considered together with the Time of Sale Prospectus, did not, as of the Applicable Time, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Permitted Section 5(d) Communication, if any, does not, as of the date hereof, conflict with the information contained in the Registration Statement, the Preliminary Prospectus and the Prospectus; provided that the Company makes no representation or warranty with respect to any statements or omissions made in each such Permitted Section 5(d) Communication in reliance upon and in conformity with written information furnished to the Company in writing by the Representatives expressly for use in such Permitted Section 5(d) Communication, it being understood and agreed that the only such information furnished by the Representatives consists of the information described as such in Section 9(b) hereof; and (iii); and the Company has filed publicly on EDGAR at least 21 calendar days prior to any "road show" (as defined in Rule 433 under the Securities Act), any confidentially submitted registration statement and registration statement amendments relating to the offer and sale of the Offered Shares.

(qq) ***Clinical Data and Regulatory Compliance.*** The preclinical tests and clinical trials conducted or sponsored by the Company (collectively, "**studies**") that are described in, or the results of which are referred to in, the Registration Statement, the Time of Sale Prospectus or the Prospectus were and, if still pending, are, to the Company's knowledge, being conducted in all material respects in accordance with the protocols, procedures and controls designed and approved for such studies and with standard medical and scientific research procedures; each description of the results of such studies is reasonably accurate and complete in all material respects in the context of the experimental set-up and fairly presents the data derived from such studies within the limits of interpretation by people trained in the trade, and the Company and its subsidiaries have no knowledge of any other studies the results of which are inconsistent with, or otherwise call into question, the results described or referred to in the Registration Statement, the Time of Sale Prospectus or the Prospectus; the Company and its subsidiaries have made all such filings and obtained all such approvals as may be required by the Food and Drug Administration of the U.S. Department of Health and Human Services or any committee thereof or from any other U.S. or foreign government or drug or medical device regulatory agency, or health care facility Institutional Review Board (collectively, the "**Regulatory Agencies**") for the operation of the Company's business as currently conducted, except as could not be expected, individually or in the aggregate, to have a Material Adverse Effect; neither the Company nor any of its subsidiaries has received any notice of, or correspondence from, any Regulatory Agency requiring the termination, suspension or modification of any clinical trials that are described or referred to in the Registration Statement, the Time of Sale Prospectus or the Prospectus; and the Company and its subsidiaries have each operated and currently are in compliance in all material respects with all applicable rules and regulations of the Regulatory Agencies, except as could not be expected, individually or in the aggregate, to have a Material Adverse Effect.

(rr) ***No Rights to Purchase Preferred Stock***. The issuance and sale of the Offered Shares as contemplated hereby will not cause any holder of any share capital, securities convertible into or exchangeable or exercisable for share capital or options, warrants or other rights to purchase share capital or any other securities of the Company to have any right to acquire any shares of preferred stock of the Company.

(ss) ***No Contract Terminations.*** Neither the Company nor any of its subsidiaries has sent or received any communication regarding termination of, or intent not to renew, any of the contracts or agreements referred to or described in any preliminary prospectus, the Prospectus or any free writing prospectus, or referred to or described in, or filed as an exhibit to, the Registration Statement, and no such termination or non-renewal has been threatened by the Company or any of its subsidiaries or, to the Company's knowledge, any other party to any such contract or agreement, which threat of termination or non-renewal has not been rescinded as of the date hereof, except where such termination or non-renewal could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(tt) ***Dividend Restrictions*****.** Other than as prohibited or restricted by law, no subsidiary of the Company is prohibited or restricted, directly or indirectly, from paying dividends to the Company, or from making any other distribution with respect to such subsidiary's equity securities or from repaying to the Company or any other subsidiary of the Company any amounts that may from time to time become due under any loans or advances to such subsidiary from the Company or from transferring any property or assets to the Company or to any other subsidiary.

Any certificate signed by any officer of the Company or any of its subsidiaries and delivered to any Underwriter or to counsel for the Underwriters in connection with the offering, or the purchase and sale, of the Offered Shares shall be deemed a representation and warranty by the Company and Affimed to each Underwriter as to the matters covered thereby.

The Company and Affimed have a reasonable basis for making each of the representations set forth in this Section 1. Each of the Company and Affimed acknowledges that the Underwriters and, for purposes of the opinions to be delivered pursuant to Section 6 hereof, counsel to the Company and Affimed and counsel to the Underwriters, will rely upon the accuracy and truthfulness of the foregoing representations and hereby consents to such reliance.

Section 2. Purchase, Sale and Delivery of the Offered Shares.

(a) ***The Firm Shares*****.** Upon the terms herein set forth, the Company agrees to issue and sell to the several Underwriters an aggregate of [—] Firm Shares. On the basis of the representations, warranties and agreements herein contained, and upon the terms but subject to the conditions herein set forth, the Underwriters agree, severally and not jointly, to purchase from the Company the respective number of Firm Shares set forth opposite their names on Schedule A. The purchase price per Firm Share to be paid by the several Underwriters to the Company shall be $[—] per share.

(b) ***The First Closing Date*****.** Delivery of the Firm Shares to be purchased by the Underwriters shall be made through the facilities of The Depository Trust Company ("**DTC**") unless the Representatives shall otherwise instruct. Payment for the Firm Shares shall be made by wire transfer in immediately available funds to the account specified by the Company to the Representatives. Payment for the Firm Shares shall be made against delivery to the Representatives for the accounts of the several Underwriters of the Firm Shares on [—], 2014, or such other time and date not later than 1:30 p.m. New

York City time, on [—], 2014 as the Representatives shall designate by notice to the Company (the time and date of such closing are called the "**First Closing Date**"). The Company hereby acknowledges that circumstances under which the Representatives may provide notice to postpone the First Closing Date as originally scheduled include, but are not limited to, any determination by the Company or the Representatives to recirculate to the public copies of an amended or supplemented Prospectus or a delay as contemplated by the provisions of Section 11.

(c) ***The Optional Shares; Option Closing Date.*** In addition, on the basis of the representations, warranties and agreements herein contained, and upon the terms but subject to the conditions herein set forth, the Company hereby grants an option to the several Underwriters to purchase, severally and not jointly, up to an aggregate of [—] Optional Shares from the Company at the purchase price per share to be paid by the Underwriters for the Firm Shares. The option granted hereunder may be exercised at any time and from time to time in whole or in part upon notice by the Representatives to the Company, which notice may be given at any time within 30 days from the date of this Agreement. Such notice shall set forth (i) the aggregate number of Optional Shares as to which the Underwriters are exercising the option and (ii) the time, date and place at which the Optional Shares will be delivered (which time and date may be simultaneous with, but not earlier than, the First Closing Date; and in the event that such time and date are simultaneous with the First Closing Date, the term "**First Closing Date**" shall refer to the time and date of delivery of the Firm Shares and such Optional Shares). Any such time and date of delivery, if subsequent to the First Closing Date, is called an "**Option Closing Date**," shall be determined by the Representatives and shall not be earlier than three or later than five full business days after delivery of such notice of exercise. Payment and delivery of any Optional Shares shall occur in the same manner as the payment and delivery of the Firm Shares. If any Optional Shares are to be purchased, each Underwriter agrees, severally and not jointly, to purchase the number of Optional Shares (subject to such adjustments to eliminate fractional shares as the Representatives may determine) that bears the same proportion to the total number of Optional Shares to be purchased as the number of Firm Shares set forth on Schedule A opposite the name of such Underwriter bears to the total number of Firm Shares. The Representatives may cancel the option at any time prior to its expiration by giving written notice of such cancellation to the Company.

(d) ***Public Offering of the Offered Shares.*** The Representatives hereby advise the Company that the Underwriters intend to offer for sale to the public, initially on the terms set forth in the Registration Statement, the Time of Sale Prospectus and the Prospectus, their respective portions of the Offered Shares as soon after this Agreement has been executed and the Registration Statement has been declared effective as the Representatives, in their sole judgment, have determined is advisable and practicable.

(e) ***Payment for the Offered Shares.*** (i) Payment for the Offered Shares shall be made at the First Closing Date (and, if applicable, at each Option Closing Date) by wire transfer of immediately available funds to the order of the Company.

(ii) It is understood that the Representatives have been authorized, for their own account and the accounts of the several Underwriters, to accept delivery of and receipt for, and make payment of the purchase price for, the Firm Shares and any Optional Shares the Underwriters have agreed to purchase. Each of Jefferies and Leerink, individually and not as the Representatives of the Underwriters, may (but shall not be obligated to) make payment for any Offered Shares to be purchased by any Underwriter whose funds shall not have been received by the Representatives by the First Closing Date or the applicable Option Closing Date, as the case may be, for the account of such Underwriter, but any such payment shall not relieve such Underwriter from any of its obligations under this Agreement.

(iii) *Delivery of the Offered Shares***.** The delivery of the Firm Shares and, if applicable, the Optional Shares shall be made through the facilities of DTC unless the Representatives shall otherwise instruct. The Company shall deliver, or cause to be delivered to the Representatives for the accounts of the several Underwriters the Firm Shares to be sold by them at the First Closing Date, against release of a wire transfer of immediately available funds for the amount of the purchase price therefor to an account specified by the Company to the Representatives. The Company shall also deliver, or cause to be delivered to the Representatives for the accounts of the several Underwriters, the Optional Shares the Underwriters have agreed to purchase from them at the First Closing Date or the applicable Option Closing Date, as the case may be, against the release of a wire transfer of immediately available funds for the amount of the purchase price therefor to an account specified by the Company to the Representatives.

Section 3. Additional Covenants of the Company and Affimed. Each of the Company and Affimed further covenants and agrees with each Underwriter as follows:

(a) ***Delivery of Registration Statement, Time of Sale Prospectus and Prospectus.*** The Company shall furnish to you in New York City, without charge, prior to 10:00 a.m. New York City time on the second business day after the date of this Agreement and during the period when a prospectus relating to the Offered Shares is required by the Securities Act to be delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule) in connection with sales of the Offered Shares, as many copies of the Time of Sale Prospectus, the Prospectus and any supplements and amendments thereto or to the Registration Statement as you may reasonably request.

(b) ***Representatives' Review of Proposed Amendments and Supplements.*** During the period when a prospectus relating to the Offered Shares is required by the Securities Act to be delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule), the Company (i) will furnish to the Representatives for review, a reasonable period of time prior to the proposed time of filing of any proposed amendment or supplement to the Registration Statement, a copy of each such amendment or supplement and (ii) will not amend or supplement the Registration Statement without the Representatives' prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Prior to amending or supplementing any preliminary prospectus, the Time of Sale Prospectus or the Prospectus, the Company shall furnish to the Representatives for review, a reasonable amount of time prior to the time of filing or use of the proposed amendment or supplement, a copy of each such proposed amendment or supplement. The Company shall not file or use any such proposed amendment or supplement without the Representatives' prior written consent, which shall not be unreasonably withheld, conditioned or delayed. The Company shall file with the Commission within the applicable period specified in Rule 424(b) under the Securities Act any prospectus required to be filed pursuant to such Rule.

(c) ***Free Writing Prospectuses.*** The Company shall furnish to the Representatives for review, a reasonable amount of time prior to the proposed time of filing or use thereof, a copy of each proposed free writing prospectus or any amendment or supplement thereto prepared by or on behalf of, used by, or referred to by the Company, and the Company shall not file, use or refer to any proposed free writing prospectus or any amendment or supplement thereto without the Representatives' prior written consent, which shall not be unreasonably withheld. The Company shall furnish to each Underwriter, without charge, as many copies of any free writing prospectus prepared by or on behalf of, used by or referred to by the Company as such Underwriter may reasonably request. If at any time when a prospectus is required by the Securities Act to be delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule) in connection with sales of the Offered Shares (but in any event if at any time through and including the First Closing Date) there occurred or occurs an event or development as a result of which any free writing prospectus prepared by or on behalf of, used

by, or referred to by the Company conflicted or would conflict with the information contained in the Registration Statement or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at such time, not misleading, the Company shall promptly amend or supplement such free writing prospectus to eliminate or correct such conflict so that the statements in such free writing prospectus as so amended or supplemented will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at such time, not misleading, as the case may be; *provided, however*, that prior to amending or supplementing any such free writing prospectus, the Company shall furnish to the Representatives for review, a reasonable amount of time prior to the proposed time of filing or use thereof, a copy of such proposed amended or supplemented free writing prospectus, and the Company shall not file, use or refer to any such amended or supplemented free writing prospectus without the Representatives' prior written consent, which shall not be unreasonably withheld.

(d) ***Filing of Underwriter Free Writing Prospectuses.*** The Company shall not take any action that would result in an Underwriter or the Company being required to file with the Commission pursuant to Rule 433(d) under the Securities Act a free writing prospectus prepared by or on behalf of such Underwriter that such Underwriter otherwise would not have been required to file thereunder.

(e) ***Amendments and Supplements to Time of Sale Prospectus.*** If the Time of Sale Prospectus is being used to solicit offers to buy the Offered Shares at a time when the Prospectus is not yet available to prospective purchasers, and any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Time of Sale Prospectus so that the Time of Sale Prospectus does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances when delivered to a prospective purchaser, not misleading, or if any event shall occur or condition exist as a result of which the Time of Sale Prospectus conflicts with the information contained in the Registration Statement, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Time of Sale Prospectus to comply with applicable law, the Company shall (subject to Section 3(b) and Section 3(c) hereof) promptly prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to any dealer upon request, either amendments or supplements to the Time of Sale Prospectus so that the statements in the Time of Sale Prospectus as so amended or supplemented will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances when delivered to a prospective purchaser, not misleading or so that the Time of Sale Prospectus, as amended or supplemented, will no longer conflict with the information contained in the Registration Statement, or so that the Time of Sale Prospectus, as amended or supplemented, will comply with applicable law.

(f) ***Certain Notifications and Required Actions*****.** After the date of this Agreement, the Company shall promptly advise the Representatives in writing of: (i) the receipt of any comments of, or requests for additional or supplemental information from, the Commission; (ii) the time and date of any filing of any post-effective amendment to the Registration Statement or any amendment or supplement to any preliminary prospectus, the Time of Sale Prospectus, any free writing prospectus or the Prospectus; (iii) the time and date that any post-effective amendment to the Registration Statement becomes effective; and (iv) the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto or any amendment or supplement to any preliminary prospectus, the Time of Sale Prospectus or the Prospectus or of any order preventing or suspending the use of any preliminary prospectus, the Time of Sale Prospectus, any free writing prospectus or the Prospectus, or of any proceedings to remove, suspend or terminate from listing or quotation the Offered Shares from any securities exchange upon which they are listed for trading or included or designated for quotation, or, to the Company's knowledge, of the threatening or initiation of

any proceedings for any of such purposes. If the Commission shall enter any such stop order at any time, the Company will use its best efforts to obtain the lifting of such order at the earliest possible moment. Additionally, the Company agrees that it shall comply with all applicable provisions of Rule 424(b), Rule 433 and Rule 430A under the Securities Act and will use its reasonable efforts to confirm that any filings made by the Company under Rule 424(b) or Rule 433 were received in a timely manner by the Commission.

(g) ***Amendments and Supplements to the Prospectus and Other Securities Act Matters.*** If any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Prospectus so that the Prospectus does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances when the Prospectus is delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule) to a purchaser, not misleading, or if in the opinion of the Representatives or counsel for the Underwriters it is otherwise necessary to amend or supplement the Prospectus to comply with applicable law, the Company agrees (subject to Section 3(b) and Section 3(c) hereof) to promptly prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to any dealer upon request, amendments or supplements to the Prospectus so that the statements in the Prospectus as so amended or supplemented will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances when the Prospectus is delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule) to a purchaser, not misleading or so that the Prospectus, as amended or supplemented, will comply with applicable law. Neither the Representatives' consent to, nor delivery of, any such amendment or supplement shall constitute a waiver of any of the Company's obligations under Section 3(b) or Section 3(c).

(h) ***Blue Sky Compliance*****.** The Company shall cooperate with the Representatives and counsel for the Underwriters to qualify or register the Offered Shares for sale under (or obtain exemptions from the application of) the state securities or blue sky laws or Canadian provincial securities laws (or other foreign laws) of those jurisdictions reasonably designated by the Representatives, shall comply with such laws and shall continue such qualifications, registrations and exemptions in effect so long as required for the distribution of the Offered Shares. The Company shall not be required to qualify as a foreign corporation or to take any action that would subject it to general service of process in any such jurisdiction where it is not presently qualified or where it would be subject to taxation as a foreign corporation. The Company will advise the Representatives promptly of the suspension of the qualification or registration of (or any such exemption relating to) the Offered Shares for offering, sale or trading in any jurisdiction or any initiation or threat of any proceeding for any such purpose, and in the event of the issuance of any order suspending such qualification, registration or exemption, the Company shall use its best efforts to obtain the withdrawal thereof at the earliest possible moment.

(i) ***Use of Proceeds*****.** The Company shall apply the net proceeds from the sale of the Offered Shares sold by it in all material respects in the manner described under the caption "Use of Proceeds" in the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(j) ***Earnings Statement*****.** The Company will make generally available to its security holders and to the Representatives as soon as practicable an earnings statement (which need not be audited) covering a period of at least twelve months beginning with the first fiscal quarter of the Company commencing after the date of this Agreement that will satisfy the provisions of Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder.

(k) ***Continued Compliance with Securities Laws*****.** The Company will comply with the Securities Act and the Exchange Act so as to permit the completion of the distribution of the Offered

Shares as contemplated by this Agreement**,** the Registration Statement, the Time of Sale Prospectus and the Prospectus. Without limiting the generality of the foregoing, the Company will, during the period when a prospectus relating to the Offered Shares is required by the Securities Act to be delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule), file on a timely basis with the Commission and the NASDAQ all reports and documents required to be filed under the Exchange Act. Additionally, the Company shall report the use of proceeds from the issuance of the Offered Shares as may be required under Rule 463 under the Securities Act.

(l) ***Listing*****.** The Company will use its best efforts to list, subject to notice of issuance, the Offered Shares on the NASDAQ.

(m) ***Company to Provide Copy of the Prospectus in Form That May be Downloaded from the Internet.*** If requested by the Representatives, the Company shall cause to be prepared and delivered, at its expense, within two business days from the effective date of this Agreement, to the Representatives an "**electronic Prospectus**" to be used by the Underwriters in connection with the offering and sale of the Offered Shares. As used herein, the term "**electronic Prospectus**" means a form of Time of Sale Prospectus, and any amendment or supplement thereto, that meets each of the following conditions: (i) it shall be encoded in an electronic format, reasonably satisfactory to the Representatives, that may be transmitted electronically by the Representatives and the other Underwriters to offerees and purchasers of the Offered Shares; (ii) it shall disclose the same information as the paper Time of Sale Prospectus, except to the extent that graphic and image material cannot be disseminated electronically, in which case such graphic and image material shall be replaced in the electronic Prospectus with a fair and accurate narrative description or tabular representation of such material, as appropriate; and (iii) it shall be in or convertible into a paper format or an electronic format, reasonably satisfactory to the Representatives, that will allow investors to store and have continuously ready access to the Time of Sale Prospectus at any future time, without charge to investors (other than any fee charged for subscription to the Internet as a whole and for on-line time). The Company hereby confirms that it has included or will include in the Prospectus filed pursuant to EDGAR or otherwise with the Commission and in the Registration Statement at the time it was declared effective an undertaking that, upon receipt of a request by an investor or his or her representative, the Company shall transmit or cause to be transmitted promptly, without charge, a paper copy of the Time of Sale Prospectus.

(n) ***Agreement Not to Offer or Sell Additional Shares*****.** During the period commencing on and including the date hereof and continuing through and including the 180th day following the date of the Prospectus (such period being referred to herein as the "**Lock-up Period**"), neither the Company nor Affimed will, without the prior written consent of Jefferies and Leerink (which consent may be withheld in their sole discretion), directly or indirectly: (i) sell, offer to sell, contract to sell or lend any capital stock of the Company or Affimed (the "**Capital Stock**") or Related Securities (as defined below); (ii) effect any short sale, or establish or increase any "put equivalent position" (as defined in Rule 16a-1(h) under the Exchange Act) or liquidate or decrease any "call equivalent position" (as defined in Rule 16a-1(b) under the Exchange Act) of any Capital Stock or Related Securities; (iii) pledge, hypothecate or grant any security interest in any Capital Stock or Related Securities; (iv) in any other way transfer or dispose of any Capital Stock or Related Securities; (v) enter into any swap, hedge or similar arrangement or agreement that transfers, in whole or in part, the economic risk of ownership of any Capital Stock or Related Securities, regardless of whether any such transaction is to be settled in securities, in cash or otherwise; (vi) announce the offering of any Capital Stock or Related Securities; (vii) file any registration statement under the Securities Act in respect of any Capital Stock or Related Securities (other than as contemplated by this Agreement with respect to the Offered Shares); or (viii) publicly announce the intention to do any of the foregoing; *provided, however*, that the Company may (A) effect the transactions contemplated hereby, (B) issue or grant shares, rights to receive shares, phantom equity settleable into shares or options to purchase shares, or issue shares upon settlement of phantom equity, vesting of a right

to receive shares or exercise of options, pursuant to any equity compensation plans or arrangements described in the Registration Statement, the Time of Sale Prospectus and the Prospectus or any other equity compensation plan or arrangement, but only if the holders of such shares, phantom equity, rights to receive shares or options listed on Exhibit B agree in writing with the Underwriters not to sell, offer, dispose of or otherwise transfer any such shares, rights to receive shares, phantom equity or options during such Lock-up Period without the prior written consent of the Representatives (which consent may be withheld in their sole discretion), except as allowed pursuant to the form of Lock-up Agreement on Exhibit A, (C) file any registration statement on Form S-8 or a successor form thereto, (D) issue any shares of the Company issued to holders of preferred shares of the Company pursuant to the share conversion as part of the Corporate Reorganization described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, (E) take any action to facilitate the transaction described under the caption "Carve-out Agreements" in the Registration Statement, the Time of Sale Prospectus and the Prospectus, provided that such action shall not entail filing a registration statement during the Lock-up Period, (F) issue securities issuable upon conversion of any convertible debt instruments or upon exercise of any warrants described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, (G) issue warrants to Perceptive Advisors LLC or affiliates thereof as described in the Registration Statement, the Time of Sale Prospectus and the Prospectus and (H) issue shares or other securities issued in connection with a transaction that includes a commercial relationship (including joint ventures, marketing or distribution arrangements, collaboration agreements or intellectual property license agreements) or any acquisition of assets or not less than a majority or controlling portion of the equity of another entity, provided that (x) the aggregate number of shares issued pursuant to this clause (H) shall not exceed 5.0% of the total number of outstanding shares immediately following the issuance and sale of the Offered Shares pursuant hereto and (y) the recipient of any such shares and securities issued pursuant to this clause (H) during the 180-day restricted period described above shall enter into an agreement in writing with the Underwriters not to sell, offer, dispose of or otherwise transfer any such shares or securities during such Lock-up Period without the prior written consent of the Representatives (which consent may be withheld in their sole discretion). For purposes of the foregoing, "Related Securities" shall mean any options, phantom equity, warrants or other rights to acquire shares or any securities exchangeable or exercisable for or that are convertible or settle into shares, or to acquire other securities or rights ultimately exchangeable or exercisable for, or that are convertible or settle into, shares.

(o) ***Future Reports to the Representatives.*** During the period of five years hereafter, the Company will furnish to the Representatives, c/o Jefferies, at 520 Madison Avenue, New York, New York 10022, Attention: Global Head of Syndicate and c/o Leerink at One Federal Street, 37th Floor, Boston, MA 02110, Attention: Syndicate Department: (i) as soon as practicable after the end of each fiscal year, copies of the Annual Report of the Company containing the balance sheet of the Company as of the close of such fiscal year and statements of income, shareholders' equity and cash flows for the year then ended and the opinion thereon of the Company's independent public or certified public accountants; (ii) as soon as practicable after the filing thereof, copies of each Annual Report on Form 20-F, Report on Form 6-K or other report filed by the Company with the Commission or any securities exchange; and (iii) as soon as available, copies of any report or communication of the Company furnished or made available generally to holders of its capital stock; *provided, however,* that the requirements of this Section 3(o) shall be satisfied to the extent that such reports, statement, communications, financial statements or other documents are available on EDGAR.

(p) ***Investment Limitation*****.** The Company shall not invest or otherwise use the proceeds received by the Company from its sale of the Offered Shares in such a manner as would require the Company or any of its subsidiaries to register as an investment company under the Investment Company Act.

(q) ***No Stabilization or Manipulation; Compliance with Regulation M*****.** The Company will not take, and will ensure that no affiliate of the Company will take, directly or indirectly, any action

designed to or that might cause or result in stabilization or manipulation of the price of the Offered Shares or any reference security with respect to the Offered Shares, whether to facilitate the sale or resale of the Offered Shares or otherwise, and the Company will, and shall cause each of its affiliates to, comply with all applicable provisions of Regulation M (it being understood that the Company makes no statement as to the activities of the Underwriters in connection with the offering).

(r) ***Enforce Lock-Up Agreements*****.** During the Lock-up Period, each of the Company and Affimed will use commercially reasonable efforts to enforce all agreements between the Company and any of its security holders of the Company or Affimed that restrict or prohibit, expressly or in operation, the offer, sale or transfer of Common Shares or Related Securities or any of the other actions restricted or prohibited under the terms of the form of Lock-up Agreement. In addition, each of the Company and Affimed will direct their respective transfer agents to place stop transfer restrictions upon any such securities of the Company that are bound by such "lock-up" agreements for the duration of the periods contemplated in such agreements, including, without limitation, "lock-up" agreements entered into by the Company's or Affimed's officers and directors and securityholders pursuant to Section 6(m) hereof.

(s) ***Company to Provide Interim Financial Statements*****.** Prior to the First Closing Date and each applicable Option Closing Date, the Company will furnish the Underwriters, as soon as practicable after they have been prepared by or are available to the Company, a copy of any unaudited quarterly interim financial statements of the Company for any period subsequent to the period covered by the most recent financial statements appearing in the Registration Statement and the Prospectus; provided, however, that the requirements of this Section 3(s) shall be satisfied to the extent that such financial statements are available on EDGAR.

(t) ***Tax Indemnity***. The Company will indemnify and hold harmless the Underwriters against any documentary, stamp or similar issue tax, including any interest and penalties, on the creation, issue and sale to the Underwriters of the Offered Shares and on the execution and delivery of this Agreement.

(u) ***Transfer Agent***. The Company agrees to maintain a transfer agent and, if necessary under the jurisdiction of organization of the Company, a registrar for the Common Shares.

(v) ***Amendments and Supplements to Permitted Section 5(d) Communications.*** If at any time following the distribution of any Permitted Section 5(d) Communication, there occurred or occurs an event or development as a result of which such Permitted Section 5(d) Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Permitted Section 5(d) Communication to eliminate or correct such untrue statement or omission.

(w) ***Emerging Growth Company Status.*** The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) the time when a prospectus relating to the Offered Shares is not required by the Securities Act to be delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule) and (ii) the expiration of the Lock-Up Period (as defined herein).

(x) ***Corporate Reorganization.*** The Company and Affimed will use commercially reasonable efforts to complete the transactions comprising the Corporate Reorganization as, and within the time period, described in the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(y) ***Announcement Regarding Lock-ups*****.** The Company agrees to announce the Underwriters' intention to release any director or "officer" (within the meaning of Rule 16a-1(f) under the Exchange Act) of the Company from any of the restrictions imposed by any Lock-Up Agreement, by issuing, through a major news service, a press release in form and substance satisfactory to the Representatives promptly following the Company's receipt of any notification from the Representatives in which such intention is indicated, but in any case not later than the close of the third business day prior to the date on which such release or waiver is to become effective; provided, however, that nothing shall prevent the Representatives, on behalf of the Underwriters, from announcing the same through a major news service, irrespective of whether the Company has made the required announcement; and *provided*, *further*, that no such announcement shall be made of any release or waiver granted solely to permit a transfer of securities that is not for consideration and where the transferee has agreed in writing to be bound by the terms of a Lock-Up Agreement in the form set forth as Exhibit A hereto**.**

The Representatives, on behalf of the several Underwriters, may, in their sole discretion, waive in writing the performance by the Company of any one or more of the foregoing covenants or extend the time for their performance.

Section 4. Payment of Expenses. The Company and Affimed, jointly and severally, agree to pay all costs, fees and expenses incurred in connection with the performance of their obligations hereunder and in connection with the transactions contemplated hereby, including without limitation (i) all expenses incident to the issuance, sale and delivery of the Offered Shares (including all printing and engraving costs) and any taxes payable in connection with the issuance and sale of the Offered Shares to the Underwriters, (ii) all fees and expenses of the registrar and transfer agent of the Common Shares, (iii) all fees and expenses of the Company's and Affimed's counsel, independent public or certified public accountants and other advisors, (iv) all costs and expenses incurred in connection with the preparation, printing, filing, shipping and distribution of the Registration Statement (including financial statements, exhibits, schedules, consents and certificates of experts), the Exchange Act Registration Statement, the Time of Sale Prospectus, the Prospectus, each free writing prospectus prepared by or on behalf of, used by, or referred to by the Company, and each preliminary prospectus, each Permitted Section 5(d) Communication, and all amendments and supplements thereto, and this Agreement, (v) all filing fees, attorneys' fees and expenses incurred by the Company or the Underwriters in connection with qualifying or registering (or obtaining exemptions from the qualification or registration of) all or any part of the Offered Shares for offer and sale under the state securities or blue sky laws or the provincial securities laws of Canada, and, if requested by the Representatives, preparing and printing a "Blue Sky Survey" or memorandum and a "Canadian wrapper", and any supplements thereto, advising the Underwriters of such qualifications, registrations and exemptions (such fees and expenses of counsel not to exceed $10,000), (vi) the costs, fees and expenses incurred by the Underwriters in connection with determining their compliance with the rules and regulations of FINRA related to the Underwriters' participation in the offering and distribution of the Offered Shares, including any related filing fees and the legal fees of, and disbursements by, counsel to the Underwriters (such fees and expenses not to exceed $35,000), (vii) the costs and expenses of the Company relating to investor presentations on any "road show", any Permitted Section 5(d) Communication or any Section 5(d) Oral Communication undertaken in connection with the offering of the Offered Shares, including, without limitation, expenses associated with the preparation or dissemination of any electronic road show, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company and travel and lodging expenses of the representatives, employees and officers of the Company and any such consultants, (vii) the fees and expenses associated with listing the Common Shares on the NASDAQ, (ix) the costs, fees and expenses in connection with the Corporate Reorganization and (x) all other fees, costs and expenses of the nature referred to under the heading "Expenses of the Offering" in the Registration Statement. Except as provided in this Section 4 or in Section 7, Section 9 or Section 10 hereof, the Underwriters shall pay their own expenses,

including the fees and disbursements of their counsel, New York State stock transfer taxes payable on resale of any of the Shares by them, any advertising expenses connected with any offers they may make and the travel expenses of their own representatives in connection with any road show or Section 5(d) Oral Communication presentation to potential investors. Further, the Underwriters and the Company will each pay 50% of the costs of any jointly used chartered aircraft in the road show.

Section 5. Covenant of the Underwriters. Each Underwriter severally and not jointly covenants with the Company not to take any action that would result in the Company being required to file with the Commission pursuant to Rule 433(d) under the Securities Act a free writing prospectus prepared by or on behalf of such Underwriter that otherwise would not, but for such actions, be required to be filed by the Company under Rule 433(d).

Section 6. Conditions of the Obligations of the Underwriters. The respective obligations of the several Underwriters hereunder to purchase and pay for the Offered Shares as provided herein on the First Closing Date and, with respect to the Optional Shares, each Option Closing Date, shall be subject to the accuracy of the representations and warranties on the part of the Company and Affimed set forth in Section 1 hereof as of the date hereof and as of the First Closing Date as though then made and, with respect to the Optional Shares, as of each Option Closing Date as though then made, to the timely performance by the Company and Affimed of their respective covenants and other obligations hereunder, and to each of the following additional conditions:

(a) ***Comfort Letter*****.** On the date hereof, the Representatives shall have received from KPMG AG Wirtschaftsprüfungsgesellschaft, independent registered public accountants for the Company, a letter dated the date hereof addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type ordinarily included in accountant's "comfort letters" to underwriters, delivered according to Statement of Auditing Standards No. 72 (or any successor bulletin), with respect to the audited and unaudited financial statements and certain financial information contained in the Registration Statement, the Time of Sale Prospectus, and each free writing prospectus, if any.

(b) ***Compliance with Registration Requirements; No Stop Order; No Objection from FINRA.***

(i) The Company shall have filed the Prospectus with the Commission (including the information required by Rule 430A under the Securities Act) in the manner and within the time period required by Rule 424(b) under the Securities Act.

(ii) No stop order suspending the effectiveness of the Registration Statement or any post-effective amendment to the Registration Statement or the Exchange Act Registration Statement or any post-effective amendment to the Exchange Act Registration Statement shall be in effect, and, to the knowledge of the Company, no proceedings for such purpose shall have been instituted or threatened by the Commission.

(iii) FINRA shall have raised no objection to the fairness and reasonableness of the underwriting terms and arrangements.

(c) ***No Material Adverse Change or Ratings Agency Change*****.** For the period from and after the date of this Agreement and through and including the First Closing Date and, with respect to any Optional Shares purchased after the First Closing Date, each Option Closing Date:

(i) in the judgment of the Representatives there shall not have occurred any Material Adverse Change; and

(ii) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any securities of the Company or any of its subsidiaries by any "nationally recognized statistical rating organization" as that term is used in Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act.

(d) ***Opinion of U.S. Counsel for the Company and Affimed*****.** On each of the First Closing Date and each Option Closing Date the Representatives shall have received the opinion and 10b-5 statement of Davis Polk & Wardwell LLP, U.S. counsel for the Company and Affimed, dated as of such date, in form and substance reasonably satisfactory to the Underwriters.

(e) ***Opinion of Dutch Counsel for the Company*****.** On each of the First Closing Date and each Option Closing Date the Representatives shall have received the opinion of De Brauw Blackstone Westbroek N.V., Dutch counsel for the Company, dated as of such date, in form and substance reasonably satisfactory to the Underwriters.

(f) ***Opinion of German Counsel for the Company*****.** On each of the First Closing Date and each Option Closing Date the Representatives shall have received the opinion of CMS Hasche Sigle Partnerschaft von Rechtsanwälten und Steuerberatern mbB, German counsel for the Company, dated as of such date, in form and substance reasonably satisfactory to the Underwriters.

(g) ***Opinion of Czech Counsel for the Company*****.** On each of the First Closing Date and each Option Closing Date the Representatives shall have received the opinion of PRK Partners, Czech counsel for the Company, dated as of such date, in form and substance reasonably satisfactory to the Underwriters.

(h) ***Opinion of IP Counsel for the Company.*** On each of the First Closing Date and each Option Closing Date, the Representatives shall have received the opinion of Huber & Schuessler, counsel for the Company with respect to intellectual property, dated as of such date, in form and substance reasonably satisfactory to the Underwriters.

(i) ***Opinion of U.S. Counsel for the Underwriters*****.** On each of the First Closing Date and each Option Closing Date the Representatives shall have received the opinion of Covington & Burling LLP, U.S. counsel for the Underwriters in connection with the offer and sale of the Offered Shares, in form and substance reasonably satisfactory to the Underwriters, dated as of such date.

(j) ***Opinion of Dutch Counsel for the Underwriters*****.** On each of the First Closing Date and each Option Closing Date the Representatives shall have received the opinion of NautaDutilh N.V., Dutch counsel for the Underwriters in connection with the offer and sale of the Offered Shares, in form and substance satisfactory to the Underwriters, dated as of such date.

(k) ***Officers' Certificates*****.** On each of the First Closing Date and each Option Closing Date, the Representatives shall have received a certificate, on behalf of the Company, executed by the Chief Executive Officer of the Company and the Chief Financial Officer of the Company, dated as of such date, to the effect set forth in Section 6(b)(ii) and further to the effect that:

(i) for the period from and including the date of this Agreement through and including such date, there has not occurred any Material Adverse Change;

(ii) the representations, warranties and covenants of the Company set forth in Section 1 of this Agreement are true and correct with the same force and effect as though expressly made on and as of such date; and

(iii) the Company has complied with all the agreements hereunder and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to such date.

On each of the First Closing Date and each Option Closing Date, the Representatives shall have received a certificate executed by the Chief Executive Officer of Affimed and the Chief Financial Officer of Affimed, dated as of such date, to the effect that:

(i) the representations, warranties and covenants of Affimed set forth in Section 1 of this Agreement are true and correct with the same force and effect as though expressly made on and as of such date; and

(ii) Affimed has complied with all the agreements hereunder and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to such date.

(l) ***Bring-down Comfort Letter*****.** On each of the First Closing Date and each Option Closing Date the Representatives shall have received from KPMG AG Wirtschaftsprüfungsgesellschaft, independent registered public accountants for the Company, a letter dated such date, in form and substance reasonably satisfactory to the Representatives, which letter shall: (i) reaffirm the statements made in the letter furnished by them pursuant to Section 6(a), except that the specified date referred to therein for the carrying out of procedures shall be no more than three business days prior to the First Closing Date or the applicable Option Closing Date, as the case may be; and (ii) cover certain financial information contained in the Prospectus.

(m) ***Lock-Up Agreements.*** On or prior to the date hereof, the Company shall have furnished to the Representatives an agreement in the form of Exhibit A hereto from each of the persons listed on Exhibit B hereto, and each such agreement shall be in full force and effect on each of the First Closing Date and each Option Closing Date.

(n) ***Rule 462(b) Registration Statement***. In the event that a Rule 462(b) Registration Statement is filed in connection with the offering contemplated by this Agreement, such Rule 462(b) Registration Statement shall have been filed with the Commission on the date of this Agreement and shall have become effective automatically upon such filing.

(o) ***Approval of Listing*****.** At the First Closing Date, the Offered Shares shall have been approved for listing on the NASDAQ, subject only to official notice of issuance.

(p) ***Corporate Reorganization.*** The Corporate Reorganization shall have occurred.

(q) ***Additional Documents***. On or before each of the First Closing Date and each Option Closing Date, the Representatives and counsel for the Underwriters shall have received such information, documents and opinions as they may reasonably request for the purposes of enabling them to pass upon the issuance and sale of the Offered Shares as contemplated herein, or in order to evidence the accuracy of any of the representations and warranties, or the satisfaction of any of the conditions or agreements, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Offered Shares as contemplated herein and in connection with the other transactions contemplated by this Agreement shall be reasonably satisfactory in form and substance to the Representatives and counsel for the Underwriters.

If any condition specified in this Section 6 is not satisfied when and as required to be satisfied, this Agreement may be terminated by the Representatives by notice from Jefferies to the Company at any time on or prior to the First Closing Date and, with respect to the Optional Shares, at any time on or prior to the applicable Option Closing Date, which termination shall be without liability on the part of any party to any other party, except that Section 4, Section 7, Section 9 and Section 10 shall at all times be effective and shall survive such termination.

Section 7. Reimbursement of Underwriters' Expenses. If this Agreement is terminated by the Representatives pursuant to Section 6, Section 11 or Section 12, or if the sale to the Underwriters of the Offered Shares on the First Closing Date is not consummated because of any refusal, inability or failure on the part of the Company to perform any agreement herein or to comply with any provision hereof, the Company agrees to reimburse the Representatives and the other Underwriters (or such Underwriters as have terminated this Agreement with respect to themselves), severally, upon demand for all reasonably documented out-of-pocket expenses that shall have been reasonably incurred by the Representatives and the Underwriters in connection with the proposed purchase and the offering and sale of the Offered Shares, including, but not limited to, fees and disbursements of counsel, printing expenses, travel expenses, postage, facsimile and telephone charges.

Section 8. Effectiveness of this Agreement. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

Section 9. Indemnification.

(a) ***Indemnification of the Underwriters*****.** The Company and Affimed agree, jointly and severally, to indemnify and hold harmless each Underwriter, its affiliates, directors, officers, employees and agents, and each person, if any, who controls any Underwriter within the meaning of the Securities Act or the Exchange Act against any loss, claim, damage, liability or expense, as incurred, to which such Underwriter or such affiliate, director, officer, employee, agent or controlling person may become subject, under the Securities Act, the Exchange Act, other federal or state statutory law or regulation, or the laws or regulations of foreign jurisdictions where Offered Shares have been offered or sold or at common law or otherwise (including in settlement of any litigation, if such settlement is effected with the written consent of the Company), insofar as such loss, claim, damage, liability or expense (or actions in respect thereof as contemplated below) arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, or any amendment thereto, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; or (ii) any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus, the Time of Sale Prospectus, any free writing prospectus that the Company has used, referred to or filed, or is required to file, pursuant to Rule 433(d) of the Securities Act, any Marketing Material, any Section 5(d) Written Communication or the Prospectus (or any amendment or supplement to the foregoing), or the omission or alleged omission to state therein a material fact necessary in order to make the statements, in the light of the circumstances under which they

were made, not misleading; or (iii) any act or failure to act or any alleged act or failure to act by any Underwriter in connection with, or relating in any manner to, the Offered Shares or the offering contemplated hereby, and which is included as part of or referred to in any loss, claim, damage, liability or action arising out of or based upon any matter covered by clause (i) or (ii) above; and to reimburse each Underwriter and each such affiliate, director, officer, employee, agent and controlling person for any and all reasonable expenses (including the reasonable fees and disbursements of counsel) as such expenses are incurred by such Underwriter or such affiliate, director, officer, employee, agent or controlling person in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action; *provided, however*, that the foregoing indemnity agreement shall not apply to any loss, claim, damage, liability or expense to the extent, but only to the extent, arising out of or based upon any untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company by the Representatives or their counsel in writing expressly for use in the Registration Statement, any preliminary prospectus, the Time of Sale Prospectus, any such free writing prospectus, any Marketing Material, any Section 5(d) Written Communication or the Prospectus (or any amendment or supplement thereto), it being understood and agreed that the only such information consists of the information described in Section 9(b) below. The indemnity agreement set forth in this Section 9(a) shall be in addition to any liabilities that the Company may otherwise have.

(b) ***Indemnification of the Company, its Directors and Officers***. Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, each of its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act, against any loss, claim, damage, liability or expense, as incurred, to which the Company, or any such director, officer or controlling person may become subject, under the Securities Act, the Exchange Act, or other federal or state statutory law or regulation, or at common law or otherwise (including in settlement of any litigation, if such settlement is effected with the written consent of such Underwriter), insofar as such loss, claim, damage, liability or expense (or actions in respect thereof as contemplated below) arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, or any amendment thereto, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus, the Time of Sale Prospectus, any free writing prospectus that the Company has used, referred to or filed, or is required to file, pursuant to Rule 433 of the Securities Act, any Section 5(d) Written Communication or the Prospectus (or any such amendment or supplement) or the omission or alleged omission to state therein a material fact necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, such preliminary prospectus, the Time of Sale Prospectus, such free writing prospectus, such Section 5(d) Written Communication or the Prospectus (or any such amendment or supplement), in reliance upon and in conformity with information relating to such Underwriter furnished to the Company by the Representatives or their counsel in writing expressly for use therein; and to reimburse the Company, or any such director, officer or controlling person for any and all expenses (including the fees and disbursements of counsel) as such expenses are incurred by the Company, or any such director, officer or controlling person in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action. The Company hereby acknowledges that the only information that the Representatives or their counsel have furnished to the Company expressly for use in the Registration Statement, any preliminary prospectus, the Time of Sale Prospectus, any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) of the Securities Act, any Section 5(d) Written Communication or the Prospectus (or any amendment or supplement to the foregoing) are the statements set forth in the first sentence of the third paragraph under the caption “Underwriting,” the first paragraph under the caption “Underwriting—Commission and Expenses” and the first sentence of the first paragraph and the first sentence of the sixth paragraph under the caption “Underwriting—Stabilization” in the Preliminary Prospectus and the Prospectus. The indemnity agreement set forth in this Section 9(b) shall be in addition to any liabilities that each Underwriter may otherwise have.

(c) ***Notifications and Other Indemnification Procedures.*** Promptly after receipt by an indemnified party under this Section 9 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under this Section 9, notify the indemnifying party in writing of the commencement thereof, but the omission to so notify the indemnifying party will not relieve the indemnifying party from any liability which it may have to any indemnified party to the extent the indemnifying party is not materially prejudiced as a proximate result of such failure and shall not in any event relieve the indemnifying party from any liability that it may have otherwise than on account of this indemnity agreement. In case any such action is brought against any indemnified party and such indemnified party seeks or intends to seek indemnity from an indemnifying party, the indemnifying party will be entitled to participate in, and, to the extent that it shall elect, jointly with all other indemnifying parties similarly notified, by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof with counsel reasonably satisfactory to such indemnified party; *provided, however*, that if the defendants in any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that a conflict may arise between the positions of the indemnifying party and the indemnified party in conducting the defense of any such action or that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assume such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of such indemnifying party's election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party will not be liable to such indemnified party under this Section 9 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in accordance with the proviso to the preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the fees and expenses of more than one separate counsel (together with local counsel), representing the indemnified parties who are parties to such action), which counsel (together with any local counsel) for the indemnified parties shall be selected by the Representatives (in the case of counsel for the indemnified parties referred to in Section 9(a) above) or by the Company (in the case of counsel for the indemnified parties referred to in Section 9(b) above)) or (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party has authorized in writing the employment of counsel for the indemnified party at the expense of the indemnifying party, in each of which cases the reasonable fees and expenses of counsel shall be at the expense of the indemnifying party and shall be paid as they are incurred upon receipt from the indemnified party of a written request for payment thereof accompanied by a written statement with reasonable supporting detail of such reasonable fees and expenses.

(d) ***Settlements*****.** The indemnifying party under this Section 9 shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party against any loss, claim, damage, liability or expense by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for reasonable fees and expenses of counsel as contemplated by Section 9(c) hereof, the indemnifying party shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into (A) more than 45 days after receipt by the indemnifying party of such request and (B) more than 30 days after receipt by such

indemnifying party of the proposed terms of such settlement and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement, compromise or consent to the entry of judgment in any pending or threatened action, suit or proceeding in respect of which any indemnified party is or could have been a party and indemnity was or could have been sought hereunder by such indemnified party, unless such settlement, compromise or consent includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such action, suit or proceeding and does not include an admission of fault or culpability or a failure to act by or on behalf of such indemnified party.

Section 10. Contribution. If the indemnification provided for in Section 9 is for any reason held to be unavailable to or otherwise insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount paid or payable by such indemnified party, as incurred, as a result of any losses, claims, damages, liabilities or expenses referred to therein (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, from the offering of the Offered Shares pursuant to this Agreement or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and the Underwriters, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, in connection with the offering of the Offered Shares pursuant to this Agreement shall be deemed to be in the same respective proportions as the total proceeds from the offering of the Offered Shares pursuant to this Agreement (before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth on the front cover page of the Prospectus, bear to the aggregate initial public offering price of the Offered Shares as set forth on such cover. The relative fault of the Company, on the one hand, and the Underwriters, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company, on the one hand, or the Underwriters, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The amount paid or payable by a party as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include, subject to the limitations set forth in Section 9(c), any legal or other fees or expenses reasonably incurred by such party in connection with investigating or defending any action or claim. The provisions set forth in Section 9(c) with respect to notice of commencement of any action shall apply if a claim for contribution is to be made under this Section 10; *provided, however,* that no additional notice shall be required with respect to any action for which notice has been given under Section 9(c) for purposes of indemnification.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 10 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 10.

Notwithstanding the provisions of this Section 10, no Underwriter shall be required to contribute any amount in excess of the underwriting discounts and commissions received by such Underwriter in connection with the Offered Shares underwritten by it and distributed to the public. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 10 are several, and not joint, in proportion to their respective underwriting commitments as set forth opposite their respective names on Schedule A. For purposes of this Section 10, each affiliate, director, officer, employee and agent of an Underwriter and each person, if any, who controls an Underwriter within the meaning of the Securities Act or the Exchange Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of the Securities Act and the Exchange Act shall have the same rights to contribution as the Company.

Section 11. Default of One or More of the Several Underwriters. If, on the First Closing Date or any Option Closing Date any one or more of the several Underwriters shall fail or refuse to purchase Offered Shares that it or they have agreed to purchase hereunder on such date, and the aggregate number of Offered Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase does not exceed 10% of the aggregate number of the Offered Shares to be purchased on such date, the Representatives may make arrangements satisfactory to the Company for the purchase of such Offered Shares by other persons, including any of the Underwriters, but if no such arrangements are made by such date, the other Underwriters shall be obligated, severally and not jointly, in the proportions that the number of Firm Shares set forth opposite their respective names on Schedule A bears to the aggregate number of Firm Shares set forth opposite the names of all such non-defaulting Underwriters, or in such other proportions as may be specified by the Representatives with the consent of the non-defaulting Underwriters, to purchase the Offered Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase on such date. If, on the First Closing Date or any Option Closing Date any one or more of the Underwriters shall fail or refuse to purchase Offered Shares and the aggregate number of Offered Shares with respect to which such default occurs exceeds 10% of the aggregate number of Offered Shares to be purchased on such date, and arrangements satisfactory to the Representatives and the Company for the purchase of such Offered Shares are not made within 48 hours after such default, this Agreement shall terminate without liability of any party to any other party except that the provisions of Section 4, Section 7, Section 9 and Section 10 shall at all times be effective and shall survive such termination. In any such case either the Representatives or the Company shall have the right to postpone the First Closing Date or the applicable Option Closing Date, as the case may be, but in no event for longer than seven days in order that the required changes, if any, to the Registration Statement and the Prospectus or any other documents or arrangements may be effected.

As used in this Agreement, the term "**Underwriter**" shall be deemed to include any person substituted for a defaulting Underwriter under this Section 11. Any action taken under this Section 11 shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

Section 12. Termination of this Agreement. Prior to the purchase of the Firm Shares by the Underwriters on the First Closing Date, this Agreement may be terminated by Jefferies and Leerink by notice given to the Company if at any time: (i) trading or quotation in any of the Company's securities shall have been suspended or limited by the Commission or by the NASDAQ, or trading in securities generally on either the NASDAQ or the NYSE shall have been suspended or limited, or minimum or maximum prices shall have been generally established on any of such stock exchanges; (ii) a general banking moratorium shall have been declared by any of federal, New York or Netherlands authorities; (iii) there shall have occurred any outbreak or escalation of national or international hostilities or any crisis or calamity, or any change in the United States or international financial markets, or any substantial change or development involving a prospective substantial change in United States' or international political, financial or economic conditions, as in the judgment of Jefferies and Leerink is material and adverse and makes it impracticable to market the Offered Shares in the manner and on the terms described in the Time of Sale Prospectus or the Prospectus or to enforce contracts for the sale of securities; (iv) in the judgment of Jefferies and Leerink there shall have occurred any Material Adverse Change; or (v) the Company shall have sustained a loss by strike, fire, flood, earthquake, accident or other calamity of such character as in the judgment of Jefferies and Leerink may interfere materially with the conduct of the business and operations of the Company regardless of whether or not such loss shall have been insured. Any termination pursuant to this Section 12 shall be without liability on the part of (a) the Company to any Underwriter, except that the Company shall be obligated to reimburse the expenses of the Representatives and the Underwriters pursuant to Section 4 or Section 7 hereof or (b) any Underwriter to the Company; *provided, however,* that the provisions of Section 9 and Section 10 shall at all times be effective and shall survive such termination.

Section 13. No Advisory or Fiduciary Relationship. The Company acknowledges and agrees that (a) the purchase and sale of the Offered Shares pursuant to this Agreement, including the determination of the public offering price of the Offered Shares and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other hand, (b) in connection with the offering contemplated hereby and the process leading to such transaction, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company, or its shareholders, or its creditors, employees or any other party, (c) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company on other matters) and no Underwriter has any obligation to the Company with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement, (d) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, and (e) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

Section 14. Representations and Indemnities to Survive Delivery. The respective indemnities, agreements, representations, warranties and other statements of the Company, of Affimed, of the Company's officers, of Affimed's officers and of the several Underwriters set forth in or made

pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of any Underwriter or the Company or any of its or their partners, officers or directors or any controlling person, as the case may be, and, anything herein to the contrary notwithstanding, will survive delivery of and payment for the Offered Shares sold hereunder and any termination of this Agreement.

Section 15. Notices. All communications hereunder shall be in writing and shall be mailed, hand delivered or telecopied and confirmed to the parties hereto as follows:

If to the Representatives:

Jefferies LLC
520 Madison Avenue
New York, New York 10022
Facsimile: +1 646 619-4437
Attention: General Counsel

Leerink Partners LLC
One Federal Street, 37th Floor
Boston, MA 02110
Facsimile: + 1 617 918-4900
Attention: General Counsel

with a copy to:

Covington & Burling LLP
620 Eighth Avenue
New York, New York 10018
Facsimile: +1 646 441-9111
Attention: Eric W. Blanchard

NautaDutilh N.V.
Strawinskylaan 1999
1077 XV Amsterdam
P.O. Box 7113
1007 JC Amsterdam
The Netherlands
Facsimile: +31 20 71 71 397
Attention: Petra Zijp

If to the Company or Affimed:

Affimed Therapeutics AG
Technologiepark
Im Neuenheimer Feld 582
69120 Heidelberg, Germany
Facsimile: +011 49 6221-65307-77
Attention: Florian Fischer

with a copy to:

David Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Facsimile: +1 212 701-5674
Attention: Richard D. Truesdell Jr.

Any party hereto may change the address for receipt of communications by giving written notice to the others.

Section 16. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto, including any substitute Underwriters pursuant to Section 11 hereof, and to the benefit of the affiliates, directors, officers, employees, agents and controlling persons referred to in Section 9 and Section 10, and in each case their respective successors, and no other person will have any right or obligation hereunder. The term "successors" shall not include any purchaser of the Offered Shares as such from any of the Underwriters merely by reason of such purchase.

Section 17. Partial Unenforceability. The invalidity or unenforceability of any section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other section, paragraph or provision hereof. If any section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

Section 18. Governing Law Provisions; Currency Provisions. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed in such state. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby ("**Related Proceedings**") may be instituted in the federal courts of the United States of America located in the Borough of Manhattan in the City of New York or the courts of the State of New York in each case located in the Borough of Manhattan in the City of New York (collectively, the "**Specified Courts**"), and each party irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any such court (a "**Related Judgment**"), as to which such jurisdiction is non-exclusive) of such courts in any such suit, action or proceeding. Service of any process, summons, notice or document by mail to such party's address set forth above shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or other proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such suit, action or other proceeding brought in any such court has been brought in an inconvenient forum. The Company and each other party not located in the United States has irrevocably appointed National Corporate Research, Ltd., which currently maintains a New York City office at 10 East 40th Street, New York, NY 10016, United States of America, as its agent to receive service of process or other legal summons for purposes of any such suit, action or proceeding that may be instituted in any state or federal court in the Borough of Manhattan in the City of New York, United States of America.

With respect to any Related Proceeding, each party irrevocably waives, to the fullest extent permitted by applicable law, all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, service of process, attachment (both before and after judgment) and execution to which it might otherwise be entitled in the Specified Courts, and with respect to any Related Judgment, each party waives any such immunity in the Specified Courts or any other court of competent jurisdiction, and will not raise or claim or cause to be pleaded any such immunity at or in respect of any such Related Proceeding or Related Judgment, including, without limitation, any immunity pursuant to the United States Foreign Sovereign Immunities Act of 1976, as amended.

The obligations of the Company pursuant to this Agreement in respect of any sum due to any Underwriter shall, notwithstanding any judgment in a currency other than United States dollars, not be discharged until the first business day, following receipt by any Underwriter of any sum adjudged to be so due in such other currency, on which such Underwriter may in accordance with normal banking procedures purchase United States dollars with such other currency. If the United States dollars so

purchased are less than the sum originally due to such Underwriter in United States dollars hereunder, the Company agrees as a separate obligation and notwithstanding any such judgment, to indemnify such Underwriter against such loss. If the United States dollars so purchased are greater than the sum originally due to such Underwriter hereunder, such Underwriter agrees to pay to the Company an amount equal to the excess of the dollars so purchased over the sum originally due to such Underwriter hereunder.

All payments made by the Company under this Agreement shall be made free and clear of any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (including any amounts that result from the payment of fees, compensation or reimbursement of costs contemplated by this Agreement) imposed or levied by or on behalf of The Netherlands or by any department, agency or other political subdivision or any taxing authority thereof or therein, and all interest, penalties or similar liabilities with respect thereto (collectively, "**Dutch Taxes"**), unless such deduction or withholding is required by law. If any Dutch Taxes are required by law to be deducted or withheld by the Company in connection with such payment or repurchase, the Company will increase the amount to be paid to the Underwriters so that the full amount of such payment is received by the Underwriters, provided that the Company will not be required to pay any such additional amounts to the extent that the obligation to withhold or deduct any amounts arises as a result of any present or former connection between an Underwriter and the relevant jurisdiction other than any such connection arising solely as a result of the transaction described in this agreement.

Section 19. General Provisions. This Agreement constitutes the entire agreement of the parties to this Agreement and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations with respect to the subject matter hereof. This Agreement may be executed in two or more counterparts, each one of which shall be an original, and delivered by electronic means, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement may not be amended or modified unless in writing by all of the parties hereto, and no condition herein (express or implied) may be waived unless waived in writing by each party whom the condition is meant to benefit. The section headings herein are for the convenience of the parties only and shall not affect the construction or interpretation of this Agreement.

Each of the parties hereto acknowledges that it is a sophisticated business person who was adequately represented by counsel during negotiations regarding the provisions hereof, including, without limitation, the indemnification provisions of Section 9 and the contribution provisions of Section 10, and is fully informed regarding said provisions. Each of the parties hereto further acknowledges that the provisions of Section 9 and Section 10 hereof fairly allocate the risks in light of the ability of the parties to investigate the Company, its affairs and its business in order to assure that adequate disclosure has been made in the Registration Statement, any preliminary prospectus, the Time of Sale Prospectus, each free writing prospectus and the Prospectus (and any amendments and supplements to the foregoing), as contemplated by the Securities Act and the Exchange Act.

If the foregoing is in accordance with your understanding of our agreement, kindly sign and return to the Company and Affimed the enclosed copies hereof, whereupon this instrument, along with all counterparts hereof, shall become a binding agreement in accordance with its terms.

Very truly yours,

AFFIMED THERAPEUTICS B.V.

By: _____
Name:
Title:

AFFIMED THERAPEUTICS AG

By: _____
Name:
Title:

The foregoing Underwriting Agreement is hereby confirmed and accepted by the Representatives in New York, New York as of the date first above written.

JEFFERIES LLC
LEERINK PARTNERS LLC
Acting individually and as Representatives
of the several Underwriters named in
the attached Schedule A.

JEFFERIES LLC

By: _____
Name:
Title:

LEERINK PARTNERS LLC

By: _____
Name:
Title:

Schedule A

Underwriters	Number of Firm Shares to be Purchased
Jefferies LLC	[—]
Leerink Partners LLC	[—]
BMO Capital Markets Corp.	[—]
Trout Capital LLC	[—]
[_____]	[—]
Total	[—]

Schedule B

Free Writing Prospectuses Included in the Time of Sale Prospectus

[to be added]

[Permitted Section 5(d) Communications]

[to be added]

Exhibit A

Form of Lock-up Agreement

_____, 2014

Jefferies LLC
Leerink Partners LLC
As Representatives of the Several Underwriters

c/o Jefferies LLC
520 Madison Avenue
New York, New York 10022

c/o Leerink Partners LLC
299 Park Avenue, 21st Floor
New York, NY 10171

RE: Affimed Therapeutics AG (the "**Company**")

Ladies & Gentlemen:

The undersigned is an owner of preferred and/or ordinary shares (collectively, the "**Shares**") of the Company or of securities convertible into or exchangeable or exercisable for Shares of the Company, and/or a director of the Company and/or a beneficiary of a plan pursuant to which the undersigned has been awarded share-based compensation. The Company proposes to conduct a public offering of ordinary shares of a parent of the Company (the "**Offered Shares**") for which Jefferies LLC ("**Jefferies**") and Leerink Partners LLC ("**Leerink**") will act as the representatives of the underwriters (the "**Offering**"). The undersigned recognizes that the Offering will benefit each of the Company and the undersigned. The undersigned acknowledges that the underwriters are relying on the representations and agreements of the undersigned contained in this letter agreement in conducting the Offering and, at a subsequent date, in entering into an underwriting agreement (the "**Underwriting Agreement**") and other underwriting arrangements with the Company with respect to the Offering.

Annex A sets forth definitions for capitalized terms used in this letter agreement that are not defined in the body of this agreement. Those definitions are a part of this agreement.

In consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agrees that, during the Lock-up Period, the undersigned will not (and will cause any Family Member not to), without the prior written consent of Jefferies and Leerink, which may withhold their consent in their sole discretion:

- Sell or Offer to Sell any Shares or Offered Shares or Related Securities currently or hereafter owned either of record or beneficially (as defined in Rule 13d-3 under the Exchange Act) by the undersigned or such Family Member,
- enter into any Swap,
- make any demand for, or exercise any right with respect to, the registration under the Securities Act of the offer and sale of any Shares or Offered Shares or Related Securities, or cause to be filed a registration statement, prospectus or prospectus supplement (or an amendment or supplement thereto) with respect to any such registration, or

- publicly announce any intention to do any of the foregoing.

The foregoing will not apply to the registration of the offer and sale of the Offered Shares, and the sale of the Offered Shares to the underwriters, in each case as contemplated by the Underwriting Agreement. In addition, the foregoing restrictions shall not apply to (A) the transfer of Shares, Offered Shares or Related Securities as a bona fide gift or gifts or by testate succession or intestate distribution to the legal representative, heir, beneficiary or a member of the immediate family of the undersigned, (B) any Shares, Offered Shares or Related Securities acquired by the undersigned in the open market or in the Offering (other than any Company directed Shares, Offered Shares or Related Securities purchased in the Offering by an officer or director of the Company), (C) any action to facilitate the carve-out plan transaction described in the Registration Statement, the Time of Sale Prospectus and the Prospectus (each as defined in the Underwriting Agreement) provided that no sales of the undersigned's Shares, Offered Shares or Related Securities shall be made pursuant to such carve-out plan transaction prior to the expiration of the Lock-up Period, (D) any securities issuable upon conversion of any convertible debt instruments or upon exercise of any warrants described in the Registration Statement, the Time of Sale Prospectus and the Prospectus, provided that no sales of the securities shall be made pursuant to such an exercise prior to the expiration of the Lock-up Period (E) any Shares, Offered Shares or Related Securities that are used for the primary purpose of satisfying any withholding tax or other governmental withholding or payment obligation or any exercise price, through cashless surrender or otherwise, with respect to any award of equity-based compensation or in connection with tax or other obligations as a result of testate succession or intestate distribution, (F) the establishment of any contract, instruction or plan (a "**Plan**") that satisfies all of the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act provided that no sales of the undersigned's Shares, Offered Shares or Related Securities shall be made pursuant to such a Plan prior to the expiration of the Lock-up Period, (G) transfers to a Family Member or to a trust whose beneficiaries consist exclusively of one or more of the undersigned and/or a Family Member, (H) distributions of Shares, Offered Shares or Related Securities to members or stockholders of the undersigned or to any corporation, partnership or other person or entity that is a current or former member, stockholder, limited partner, subsidiary, direct or indirect affiliate of the undersigned or to any investment fund or other entity that controls or manages the undersigned (including, for the avoidance of doubt, a fund managed by the same manager or managing member or general partner or management company or by an entity controlling, controlled by, or under common control with such manager or managing member or general partner or management company as the undersigned or who shares a common investment advisor with the undersigned), (I) the transfer of the undersigned's Shares, Offered Shares or Related Securities to the Company pursuant to any contractual arrangement in effect on the date of this letter agreement that provides for the repurchase of the undersigned's Shares, Offered Shares or Related Securities by the Company or in connection with the termination of the undersigned's employment with the Company or the undersigned's failure to meet certain conditions set out upon receipt of such Shares, Offered Shares or Related Securities, (J) any action in connection with the transaction described under the caption "Corporate Reorganization" in the Registration Statement, the Time of Sale Prospectus and the Prospectus provided that such Shares, Offered Shares or Related Securities received upon such reorganization shall be subject to the terms of this agreement; provided that in the case of any transfer or distribution pursuant to clauses (A), (G) or (H), each donee, distributee or transferee shall execute and deliver to Jefferies and Leerink an agreement in form and substance satisfactory to Jefferies and Leerink stating that such transferee is receiving and holding such Shares, Offered Shares and/or Related Securities subject to the provisions of this letter agreement and agrees not to Sell or Offer to Sell such Shares, Offered Shares and/or Related Securities, engage in any Swap or engage in any other activities restricted under this letter agreement except in accordance with this letter agreement (as if such transferee had been an original signatory hereto); and provided, further, that in the case of any transfer or distribution pursuant

to clause (A), (B) or (F) through (H), no filing by any party (donor, donee, transferor or transferee) under the Exchange Act, or other public announcement shall be required or shall be made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 made after the expiration of the Lock-up Period).

The restrictions contained herein shall not apply to any transfers, sales, tenders or other dispositions of Shares, Offered Shares or Related Securities pursuant to a bona fide third party tender offer, merger, amalgamation, consolidation or other similar transaction made to or involving all holders of the Shares, Offered Shares or Related Securities or such other securities pursuant to which a majority of total voting power of the voting stock of the Company is transferred to such third party (including, without limitation, the entering into any lock-up, voting or similar agreement pursuant to which the undersigned may agree to transfer, sell, tender or otherwise dispose of Shares, Offered Shares or Related Securities or other such securities in connection with such transaction, or vote any Shares, Offered Shares or Related Securities or other such securities in favor of any such transaction); provided that (A) if such tender offer, merger, amalgamation, consolidation or other similar transaction is not completed, any Shares, Offered Shares or Related Securities subject to this letter agreement shall remain subject to the restrictions contained in this letter agreement, and (B) in the event that after such tender offer, merger, amalgamation, consolidation or other similar transaction, any Shares, Offered Shares or Related Securities are not transferred, sold or tendered, such Shares, Offered Shares or Related Securities held by the undersigned shall remain subject to the provisions of this letter agreement.

In the event that any percentage of the Shares or Related Securities held by any person or entity other than the undersigned that is subject to a lock-up agreement related to the Offering similar in form to this agreement, is released from any restrictions set forth in such lock-up agreement, the same percentage of the Shares or Related Securities held by the undersigned shall be immediately and fully released from any remaining restrictions on transfer set forth in this agreement concurrently therewith; provided, however, that Jefferies and Leerink will not be obligated to release the undersigned from the restrictions on transfer set forth in this agreement in connection with any release described in this paragraph unless and until Jefferies and Leerink have first released from such restrictions Shares or Related Securities belonging to such person or entity valued at more than $250,000. In the event that the undersigned is released from any of its obligations under this agreement or, by virtue of this agreement, becomes entitled to offer, pledge, sell, contract to sell, or otherwise transfer or dispose of any Shares or Related Securities prior to the end of the Lock-Up Period, Jefferies and Leerink shall use their commercially reasonable efforts to notify the undersigned within three business days.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Company directed Shares or Offered Shares the undersigned may purchase or otherwise receive in the Offering (including pursuant to a directed share program).

In addition, if the undersigned is an officer or director of the Company, (i) Jefferies and Leerink agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of Shares or Offered Shares, Jefferies and Leerink will notify the Company of the impending release or waiver, and (ii) the Company (in accordance with the provisions of the Underwriting Agreement) will announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by Jefferies and Leerink hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if both (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this letter agreement that are applicable to the transferor to the extent and for the duration that such terms remain in effect at the time of the transfer.

The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of Shares and/or Offered Shares and/or Related Securities held by the undersigned and the undersigned's Family Members, if any, except in compliance with the foregoing restrictions.

With respect to the Offering only, the undersigned waives any registration rights relating to registration under the Securities Act of the offer and sale of any Shares and/or Offered Shares and/or any Related Securities owned either of record or beneficially by the undersigned, including any rights to receive notice of the Offering.

The undersigned confirms that the undersigned has not, and has no knowledge that any Family Member has, directly or indirectly, taken any action designed to or that might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale of the Shares or Offered Shares. The undersigned will not, and will cause any Family Member not to take, directly or indirectly, any such action.

Whether or not the Offering occurs as currently contemplated or at all depends on market conditions and other factors. The Offering will only be made pursuant to the Underwriting Agreement, the terms of which are subject to negotiation between the Company and the underwriters. The undersigned understands that, if (i) the Underwriting Agreement does not become effective on or before December 31, 2014, (ii) the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Shares or Offered Shares to be sold thereunder, (iii) Jefferies and Leerink, on the one hand, or the Company, on the other hand, informs the other, prior to the execution of the Underwriting Agreement, that it has determined not to proceed with the Offering or (iv) the registration statement related to the Offering has been withdrawn, the undersigned shall be released from all obligations under this letter agreement.

The undersigned hereby represents and warrants that the undersigned has full power, capacity and authority to enter into this letter agreement. This letter agreement is irrevocable and will be binding on the undersigned and the successors, heirs, personal representatives and assigns of the undersigned.

This letter agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Signature

Printed Name of Person Signing

(Indicate capacity of person signing if signing as custodian or trustee, or on behalf of an entity)

Certain Defined Terms
Used in Lock-up Agreement

For purposes of the letter agreement to which this Annex A is attached and of which it is made a part:

- "**Call Equivalent Position**" shall have the meaning set forth in Rule 16a-1(b) under the Exchange Act.
- "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended.
- "**Family Member**" shall mean the spouse of the undersigned, an immediate family member of the undersigned or an immediate family member of the undersigned's spouse, in each case living in the undersigned's household or whose principal residence is the undersigned's household (regardless of whether such spouse or family member may at the time be living elsewhere due to educational activities, health care treatment, military service, temporary internship or employment or otherwise). "**Immediate family member**" as used above shall have the meaning set forth in Rule 16a-1(e) under the Exchange Act.
- "**Lock-up Period**" shall mean the period beginning on the date hereof and continuing through the close of trading on the date that is 180 days after the date of the Prospectus (as defined in the Underwriting Agreement).
- "**Put Equivalent Position**" shall have the meaning set forth in Rule 16a-1(h) under the Exchange Act.
- "**Related Securities**" shall mean any options, phantom equity, warrants or other rights to acquire Shares or Offered Shares or any securities exchangeable or exercisable for or that are convertible or settle into Shares or Offered Shares, or to acquire other securities or rights ultimately exchangeable or exercisable for, or that are convertible or settle into, Shares or Offered Shares.
- "**Securities Act**" shall mean the Securities Act of 1933, as amended.
- "**Sell or Offer to Sell**" shall mean to:
    - sell, offer to sell, contract to sell or lend,
    - effect any short sale or establish or increase a Put Equivalent Position or liquidate or decrease any Call Equivalent Position
    - pledge, hypothecate or grant any security interest in, or
    - in any other way transfer or dispose of,

  in each case whether effected directly or indirectly.
- "**Swap**" shall mean any swap, hedge or similar arrangement or agreement that transfers, in whole or in part, the economic risk of ownership of Shares or Offered Shares or Related Securities, regardless of whether any such transaction is to be settled in securities, in cash or otherwise.

Capitalized terms not defined in this Annex A shall have the meanings given to them in the body of this lock-up agreement.

Exhibit B

Directors, Officers and Others
Signing Lock-up Agreement

Directors:

Thomas Hecht
Frank Mühlenbeck
Michael B. Sheffery
Richard B. Stead
Ferdinand Verdonck
Berndt Modig
[ ]

Officers:

Adi Hoess
Florian Fischer
Jens-Peter Marschner
[ ]

Others:

All holders of the Company's and Affimed's outstanding capital stock.

SHARE ISSUE DEED
AFFIMED THERAPEUTICS B.V.

On the [—] day of August two thousand and fourteen appears before me, Corstiaan Anne Voogt, notaris (civil-law notary) practising in Amsterdam:
[—]

, for the purpose hereof acting as attorney authorised in writing of:

1. **Affimed Therapeutics B.V.**, a private company with limited liability, with corporate seat in Amsterdam, the Netherlands, and with address at: Im Neuenheimer Feld 582, D-69120 Heidelberg, Germany, number Trade Register 60673389 (the "**Company**"), and in that capacity is representing the Company;

2. **Dr Melvyn Little**, residing at: Immenseeweg 17, 25826 Saint Peter-Ording, Germany, born in Manchester, United Kingdom, on the sixth day of January nineteen hundred and forty-five, holder of a British passport with number: 519669637, having the British nationality, married ("**Little**") and in that capacity is representing Little;

3. **Deutsches Krebsforschungszentrum**, a foundation under German public law, with registered office and address at: Im Neuenheimer Feld 280, D-69120 Heidelberg, Germany, registered within the foundation register (*Stiftungsverzeichnis Teil II, Stiftungen, des öffentlichten Rechts des Regierungspräsidiums Karlsruhe*) under number: AZ : 14-0561.1 (12-21/9567.25) ("**DKFZ**"), and in that capacity is representing DKFZ;

4. **AGUTH Holding GmbH**, a company incorporated under the laws of Germany, with registered office and address at: Schloß-Wolfsbrunnenweg 33, 69118 Heidelberg, Germany, [registered with the [—] trade register under number: [—]] ("**AGUTH**"), and in that capacity is representing AGUTH;

5. **KfW**, a German public law institution, with seat in Frankfurt am Main and a branch office with address at: Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany ("**KfW**"), and in that capacity is representing KfW;

6. **tbg Technologie-Beteiligungs-Gesellschaft mbH**, a company incorporated under the laws of Germany, with registered office and address at: Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany, [registered with the [—] trade register under number: [—]] ("**tbg**"), and in that capacity is representing tbg;

7. **SGR Sagittarius Holding AG**, a company incorporated under the laws of Germany, with registered office and address at: Brügglistrasse 2, 8852 Altendorf, Switzerland, registered with the register of commerce of the Canto of Switserland, under number: CHE-109.711.527 ("**SGR**"), and in that capacity is representing SGR;

8. **BioMed Invest I Ltd.**, a company incorporated under the laws of Guernsey, Channel Islands, with registered office and address at: Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey, GY1 2QE, Channel Islands, registered with the Guernsey Registry under number 51788 ("**BMI**"), and in that capacity is representing BMI;

9. **OrbiMed Associates III, LP**, a limited partnership organized under the laws of [the state of Delaware], with registered office at: Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware, United States of America, 19808, and address at: 601 Lexington Avenue, 54th Floor, New York, NY 10022, United States of America, registered with the State of Delaware Department of State under number: 4141034 ("**OrbiMed Associates**") and in that capacity is representing OrbiMed Associates;

10. **OrbiMed Private Investments III, LP**, a limited partnership organized under the laws of [the state of Delaware], with registered office at: Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware, United States of America, 19808, and address at: 601 Lexington Avenue, 54th Floor, New York, NY 10022, United States of America, and registered with the State of Delaware Department of State under number: 4141039 ("**OrbiMed Private Investments**") and in that capacity is representing OrbiMed Private Investments;

11. **LSP III Omni Investment Coöperatief U.A.**, a cooperative with excluded liability incorporated under the laws of the Netherlands, with corporate seat in Amsterdam, the Netherlands, with address at: 1071 DV Amsterdam, the Netherlands, Johannes Vermeerplein 9, registered with the Dutch trade register under number: 34259327 ("**LSP**") and in that capacity is representing LSP; and

12. **Novo Nordisk A/S**, a company incorporated under the laws of [Denmark], with registered office and address at: Novo Allé, 2880 Bagsværd, Denmark, [registered with the [—] trade register under number: [—]] ("**Novo Nordisk**") and in that capacity is representing Novo Nordisk.

(the Company, Little, DKFZ, AGUTH, KfW, tbg, SGR, BMI, OrbiMed Associates, OrbiMed Private Investments, LSP, Novo Nordisk hereinafter together: the "**Parties**").

(Little, DKFZ, AGUTH, KfW, tbg, SGR, BMI, OrbiMed Associates, OrbiMed Private Investments, LSP, Novo Nordisk, each hereinafter an "**Investor**", and together: the "**Investors**").

The person appearing

DECLARES THAT,
WHEREAS:
Current shareholding,

(i) prior to the execution of this deed the sole shareholder of the Company: Stichting Affimed Therapeutics, a foundation organised under the laws of the Netherlands, with corporate seat in Amsterdam, the Netherlands, and address at: D-69120 Heidelberg, Germany, Im Neuenheimer Feld 582, number Trade Register 60669675 (the "**Foundation**"), holds one (1) share, with a nominal value of one eurocent (EUR 0.01), in the share capital of the Company (the "**Foundation Share**");

Restructuring,

(ii) in connection with a contemplated initial public offering of common shares in the share capital of the Company on the NASDAQ Global Stock Market (the "**IPO**"), the Investors intend to exchange all their shares in Affimed Therapeutics A.G., a company incorporated under the laws of Germany, with corporate seat in Heidelberg, Germany, and address at: D-

69120 Heidelberg, Germany, Im Neuenheimer Feld 582 ("**Affimed AG**"), for shares in the share capital of the Company, each share with a nominal value of one eurocent (EUR 0.01) (the "**BV Shares**"). As a result of such exchange, Affimed AG will become a wholly-owned subsidiary of the Company (the "**Reorganisation**");

(iii) the current issued share capital of Affimed AG consists of common shares, series D preferred shares and series E preferred shares (such shares together the "**AG Shares**"). The shareholding of each Investor in Affimed AG at the moment of execution of this deed is reflected in a schedule that is attached to this deed as Schedule A (the "**Schedule A**");

(iv) to effectuate the Reorganisation, the Investors wish to contribute their AG Shares in exchange for BV Shares (the "**Share Exchange**"). This Share Exchange will take into account the relevant provisions of an investment agreement regarding pre-IPO financing between the Investors and Affimed AG, entered into on the twenty-fifth day of June two thousand and fourteen (the "**Pre-IPO Investment Agreement**");

(v) to implement the Share Exchange, the Parties wish to agree that, in conformity with the Pre-IPO Investment Agreement, the number of BV Shares to be issued to each Investor will be calculated on the basis of the following exchange ratios:

(a) for each common share in Affimed AG contributed by an Investor [—] BV Shares will be issued;

(b) for each series D preferred share in Affimed AG contributed by an Investor [—] BV Shares will be issued; and

(c) for each series E preferred share in Affimed AG contributed by an Investor [—] BV Shares will be issued;

(the exchange ratios described under (a), (b) and (c) hereinafter: the "**Exchange Ratios**"), the number of BV Shares to be issued to each Investor based on the Exchange Ratios is reflected in a schedule that is attached to this deed as Schedule B;

Share Issue.

(vi) on the [—] day of [—] two thousand and fourteen the general meeting of the Company resolved to (i) cancel the Foundation Share of the Foundation by the execution of this deed of issue and (ii) in conformity with the Exchange Ratios, to issue:

(a) to Little [—] ([—]) BV Shares, numbered [—] up to and including [—] (the "**Little Shares**"), against contribution of all AG Shares held by Little as set forth in Schedule A (the "**Contribution Shares Little**") (the "**Contribution Little**");

(b) to DKFZ [—] ([—]) BV Shares, numbered [—] up to and including [—] (the "**DKFZ Shares**"), against contribution of all AG shares held by DKFZ as set forth in Schedule A (the "**Contribution Shares DKFZ**") (the "**Contribution DKFZ**");

(c) to AGUTH [—] ([—]) BV Shares, numbered [—] up to and including [—](the "**AGUTH Shares**"), against contribution of all AG Shares held by AGUTH as set forth in Schedule A (the "**Contribution Shares AGUTH**") (the "**Contribution AGUTH**");

(d) to KfW [—] ([—]) BV Shares, numbered [—] up to and including [—](the "**KfW Shares**"), against contribution of all AG Shares held by KfW as set forth in Schedule A (the "**Contribution Shares KfW**") (the "**Contribution KfW**");

(e) to tbg [—] ([—]) BV Shares, numbered [—] up to and including [—], (the "**tbg Shares**"), against contribution of all AG Shares held by tbg as set forth in Schedule A (the "**Contribution Shares tbg**") (the "**Contribution tbg**");

(f) to SGR [—] ([—]) BV Shares, numbered [—] up to and including [—], (the "**SGR Shares**"), against contribution of all AG Shares held by SGR as set forth in Schedule A (the "**Contribution Shares SGR**") (the "**Contribution SGR**");

(g) to BMI [—] ([—]) BV Shares, numbered [—] up to and including [—] (the "**BMI Shares**"), against contribution of all AG Shares held by BMI as set forth in Schedule A (the "**Contribution Shares BMI**") (the "**Contribution BMI**");

(h) to OrbiMed Associates [—] ([—]) BV Shares, numbered [—] up to and including [—](the "**OrbiMed Associates Shares**"), against contribution of all AG Shares held by OrbiMed Associates as set forth in Schedule A (the "**Contribution Shares OrbiMed Associates**") (the "**Contribution OrbiMed Associates**");

(i) to OrbiMed Private Investments [—] ([—]) BV Shares, numbered [—] up to and including [—],(the "**OrbiMed Private Investments Shares**"), against contribution of all AG Shares held by OrbiMed Private Investments as set forth in Schedule A (the "**Contribution Shares OrbiMed Private Investments**") (the "**Contribution OrbiMed Private Investments**");

(j) to LSP [—] ([—]) BV Shares, numbered [—] up to and including [—], (the "**LSP Shares**"), against contribution of all AG Shares held by LSP as set forth in Schedule A (the "**Contribution Shares LSP**") (the "**Contribution LSP**"); and

(k) to Novo Nordisk [—] ([—]) BV Shares, numbered [—] up to and including [—],(the "**Novo Nordisk Shares**"), against contribution of all AG Shares held by Novo Nordisk as set forth in Schedule A (the "**Contribution Shares Novo Nordisk**") (the "**Contribution Novo Nordisk**"),

(the "**Shareholder Resolution**");

(the Little Shares, the DKFZ Shares, the AGUTH Shares, the KfW Shares, the tbg Shares, the SGR Shares, the BMI Shares, the OrbiMed Associates Shares, the OrbiMed Private Investments Shares, the LSP Shares, and the Novo Nordisk Shares, hereinafter together: the "**Shares**");

(the Contribution Little, the Contribution DKFZ, the Contribution AGUTH, the Contribution KfW, the Contribution tbg, the Contribution SGR, the Contribution BMI, the Contribution OrbiMed Associates, the Contribution OrbiMed Private Investments, the Contribution LSP, the Contribution Novo Nordisk, hereinafter together: the "**Contributions**");

Cancellation Foundation Share.

(vii) pursuant to the Shareholder Resolution, the Foundation Share held by the Foundation is cancelled upon the execution of this deed;

Description.

(viii) the management board of the Company prepared a description referred to in section 2:204b in conjunction with section 2:204a Dutch Civil Code relating to the Contributions (the "**Contribution Description**"), which Contribution Description is attached to this deed;

Approval contribution in kind.

(ix) with respect to the issue of the BV Shares described under recital (vi) above, the general meeting of the Company resolved to approve the entering by the Company into the agreement contained in this deed and the issue of the BV Shares contained in this deed in conformity with section 2:204 Dutch Civil Code, on the [—] day of [—] two thousand and fourteen by way of the Shareholder Resolution;

(x) pursuant to article 3.4 of the articles of association of the Company a shareholder has no pre-emptive rights upon an issue of shares,

IT IS HEREBY AGREED AND CONFIRMED AS FOLLOWS:

Issue Little.

Article 1.

1.1. Little hereby agrees to subscribe for, and the Company hereby agrees to issue to Little, the Little Shares. In consideration for the issue of the Little Shares and in order to fulfil his obligation to fully pay up the Little Shares, Little hereby agrees to contribute and transfer the Contribution Shares Little to the Company.

1.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholder Resolution to issue the Shares and the agreement in article 1.1, the Company hereby issues to Little the Little Shares, under the obligation for Little to make the Contribution Little to pay-up the Little Shares.

1.3. Little accepts the Little Shares under the obligation referred to under 1.2.

1.4. The value of the Contribution Little appears from the Contribution Description. The Little Shares will be fully paid up by way of the Contribution Little. To the extent the value of the Contribution Little exceeds the aggregate nominal value of the Little Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

1.5. The transfer of the Contribution Shares Little by Little to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares Little shall be for the account of the Company as per the date hereof.

Issue DKFZ.

Article 2.

2.1. DKFZ hereby agrees to subscribe for, and the Company hereby agrees to issue to DKFZ, the DKFZ Shares. In consideration for the issue of the DKFZ Shares and in order to fulfil his obligation to fully pay up the DKFZ Shares, DKFZ hereby agrees to contribute and transfer the Contribution Shares DKFZ to the Company.

2.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 2.1, the Company hereby issues to DKFZ the DKFZ Shares, under the obligation for DKFZ to make the Contribution DKFZ to pay-up the DKFZ Shares.

2.3. DKFZ accepts the DKFZ Shares under the obligation referred to under 2.2.

2.4. The value of the Contribution DKFZ appears from the Contribution Description. The DKFZ Shares will be fully paid up by way of the Contribution DKFZ. To the extent the value of the Contribution DKFZ exceeds the aggregate nominal value of the DKFZ Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

2.5. The transfer of the Contribution Shares DKFZ by DKFZ to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares DKFZ shall be for the account of the Company as per the date hereof.

Issue AGUTH.
Article 3.

3.1. AGUTH hereby agrees to subscribe for, and the Company hereby agrees to issue to AGUTH, the AGUTH Shares. In consideration for the issue of the AGUTH Shares and in order to fulfil his obligation to fully pay up the AGUTH Shares, AGUTH hereby agrees to contribute and transfer the Contribution Shares AGUTH to the Company.

3.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 3.1, the Company hereby issues to AGUTH the AGUTH Shares, under the obligation for AGUTH to make the Contribution AGUTH to pay-up the AGUTH Shares.

3.3. AGUTH accepts the AGUTH Shares under the obligation referred to under 3.2.

3.4. The value of the Contribution AGUTH appears from the Contribution Description. The AGUTH Shares will be fully paid up by way of the Contribution AGUTH. To the extent the value of the Contribution AGUTH exceeds the aggregate nominal value of the AGUTH Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

3.5. The transfer of the Contribution Shares AGUTH by AGUTH to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares AGUTH shall be for the account of the Company as per the date hereof.

Issue KfW.
Article 4.

4.1. KfW hereby agrees to subscribe for, and the Company hereby agrees to issue to KfW, the KfW Shares. In consideration for the issue of the KfW Shares and in order to fulfil his obligation to fully pay up the KfW Shares, KfW hereby agrees to contribute and transfer the Contribution Shares KfW to the Company.

4.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 4.1, the Company hereby issues to KfW the KfW Shares, under the obligation for KfW to make the Contribution KfW to pay-up the KfW Shares.

4.3. KfW accepts the KfW Shares under the obligation referred to under 4.2.

4.4. The value of the Contribution KfW appears from the Contribution Description. The KfW Shares will be fully paid up by way of the Contribution KfW. To the extent the value of the Contribution KfW exceeds the aggregate nominal value of the KfW Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

4.5. The transfer of the Contribution Shares KfW by KfW to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares KfW shall be for the account of the Company as per the date hereof.

Issue tbg.
Article 5.

5.1. tbg hereby agrees to subscribe for, and the Company hereby agrees to issue to tbg, the tbg Shares. In consideration for the issue of the tbg Shares and in order to fulfil his obligation to fully pay up the tbg Shares, tbg hereby agrees to contribute and transfer the Contribution Shares tbg to the Company.

5.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 5.1, the Company hereby issues to tbg the tbg Shares, under the obligation for tbg to make the Contribution tbg to pay-up the tbg Shares.

5.3. tbg accepts the tbg Shares under the obligation referred to under 5.2.

5.4. The value of the Contribution tbg appears from the Contribution Description. The tbg Shares will be fully paid up by way of the Contribution tbg. To the extent the value of the Contribution tbg exceeds the aggregate nominal value of the tbg Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

5.5. The transfer of the Contribution Shares tbg by tbg to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares tbg shall be for the account of the Company as per the date hereof.

Issue SGR.
Article 6.

6.1. SGR hereby agrees to subscribe for, and the Company hereby agrees to issue to SGR, the SGR Shares. In consideration for the issue of the SGR Shares and in order to fulfil his obligation to fully pay up the SGR Shares, SGR hereby agrees to contribute and transfer the Contribution Shares SGR to the Company.

6.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 6.1, the Company hereby issues to SGR the SGR Shares, under the obligation for SGR to make the Contribution SGR to pay-up the SGR Shares.

6.3. SGR accepts the SGR Shares under the obligation referred to under 6.2.

6.4. The value of the Contribution SGR appears from the Contribution Description. The SGR Shares will be fully paid up by way of the Contribution SGR. To the extent the value of the Contribution SGR exceeds the aggregate nominal value of the SGR Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

6.5. The transfer of the Contribution Shares SGR by SGR to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares SGR shall be for the account of the Company as per the date hereof.

Issue BMI.
Article 7.

7.1. BMI hereby agrees to subscribe for, and the Company hereby agrees to issue to BMI, the BMI Shares. In consideration for the issue of the BMI Shares and in order to fulfil his obligation to fully pay up the BMI Shares, BMI hereby agrees to contribute and transfer the Contribution Shares BMI to the Company.

7.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 7.1, the Company hereby issues to BMI the BMI Shares, under the obligation for BMI to make the Contribution BMI to pay-up the BMI Shares.

7.3. BMI accepts the BMI Shares under the obligation referred to under 7.2.

7.4. The value of the Contribution BMI appears from the Contribution Description. The BMI Shares will be fully paid up by way of the Contribution BMI. To the extent the value of the Contribution BMI exceeds the aggregate nominal value of the BMI Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

7.5. The transfer of the Contribution Shares BMI by BMI to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares BMI shall be for the account of the Company as per the date hereof.

Issue OrbiMed Associates.
Article 8.

8.1. OrbiMed Associates hereby agrees to subscribe for, and the Company hereby agrees to issue to OrbiMed Associates, the OrbiMed Associates Shares. In consideration for the issue of the OrbiMed Associates Shares and in order to fulfil his obligation to fully pay up the OrbiMed Associates Shares, OrbiMed Associates hereby agrees to contribute and transfer the Contribution Shares OrbiMed Associates to the Company.

8.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 8.1, the Company hereby issues to OrbiMed Associates the OrbiMed Associates Shares, under the obligation for OrbiMed Associates to make the Contribution OrbiMed Associates to pay-up the OrbiMed Associates Shares.

8.3. OrbiMed Associates accepts the OrbiMed Associates Shares under the obligation referred to under 8.2.

8.4. The value of the Contribution OrbiMed Associates appears from the Contribution Description. The OrbiMed Associates Shares will be fully paid up by way of the Contribution OrbiMed Associates. To the extent the value of the Contribution OrbiMed Associates exceeds the aggregate nominal value of the OrbiMed Associates Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

8.5. The transfer of the Contribution Shares Orbimed Associates by Orbimed Associates to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares Orbimed Associates shall be for the account of the Company as per the date hereof.

Issue OrbiMed Private Investments.
Article 9.

9.1. Orbimed Private Investments hereby agrees to subscribe for, and the Company hereby agrees to issue to Orbimed Private Investments, the Orbimed Private Investments Shares. In consideration for the issue of the Orbimed Private Investments Shares and in order to fulfil his obligation to fully pay up the Orbimed Private Investments Shares, Orbimed Private Investments hereby agrees to contribute and transfer the Contribution Shares Orbimed Private Investments to the Company.

9.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 9.1, the Company hereby issues to Orbimed Private Investments the Orbimed Private Investments Shares, under the obligation for Orbimed Private Investments to make the Contribution Orbimed Private Investments to pay-up the Orbimed Private Investments Shares.

9.3. Orbimed Private Investments accepts the Orbimed Private Investments Shares under the obligation referred to under 9.2.

9.4. The value of the Contribution Orbimed Private Investments appears from the Contribution Description. The Orbimed Private Investments Shares will be fully paid up by way of the Contribution Orbimed Private Investments. To the extent the value of the Contribution Orbimed Private Investments exceeds the aggregate nominal value of the Orbimed Private Investments Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

9.5. The transfer of the Contribution Shares Orbimed Private Investments by Orbimed Private Investments to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares Orbimed Private Investments shall be for the account of the Company as per the date hereof.

Issue LSP.
Article 10.

10.1. LSP hereby agrees to subscribe for, and the Company hereby agrees to issue to LSP, the LSP Shares. In consideration for the issue of the LSP Shares and in order to fulfil his obligation to fully pay up the LSP Shares, LSP hereby agrees to contribute and transfer the Contribution Shares LSP to the Company.

10.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 10.1, the Company hereby issues to LSP the LSP Shares, under the obligation for LSP to make the Contribution LSP to pay-up the LSP Shares.

10.3. LSP accepts the LSP Shares under the obligation referred to under 10.2.

10.4. The value of the Contribution LSP appears from the Contribution Description. The LSP Shares will be fully paid up by way of the Contribution LSP. To the extent the value of the Contribution LSP exceeds the aggregate nominal value of the LSP Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

10.5. The transfer of the Contribution Shares LSP by LSP to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares LSP shall be for the account of the Company as per the date hereof.

Issue Novo Nordisk.
Article 11.

11.1. Novo Nordisk hereby agrees to subscribe for, and the Company hereby agrees to issue to Novo Nordisk, the Novo Nordisk Shares. In consideration for the issue of the Novo Nordisk Shares and in order to fulfil his obligation to fully pay up the Novo Nordisk Shares, Novo Nordisk hereby agrees to contribute and transfer the Contribution Shares Novo Nordisk to the Company.

11.2. In accordance with the provisions of section 2:196 Dutch Civil Code, the Shareholders Resolution to issue the Shares and the agreement in article 11.1, the Company hereby issues to Novo Nordisk the Novo Nordisk Shares, under the obligation for Novo Nordisk to make the Contribution Novo Nordisk to pay-up the Novo Nordisk Shares.

11.3. Novo Nordisk accepts the Novo Nordisk Shares under the obligation referred to under 11.2.

11.4. The value of the Contribution Novo Nordisk appears from the Contribution Description. The Novo Nordisk Shares will be fully paid up by way of the Contribution Novo Nordisk. To the extent the value of the Contribution Novo Nordisk exceeds the aggregate nominal value of the Novo Nordisk Shares, such excess value shall be regarded as (non-stipulated) share premium ("*niet-bedongen agio"*).

11.5. The transfer of the Contribution Shares Novo Nordisk by Novo Nordisk to the Company shall be effectuated forthwith in accordance with the laws of Germany and the Contribution Shares Novo Nordisk shall be for the account of the Company as per the date hereof.

Representations and Warranties.
Article 12.

12.1. The Company represents and warrants to each of the Investors as of the date of the execution of this deed as follows:

(a) the Company is a private company with limited liability duly organised and validly existing under the laws of the Netherlands;

(b) immediately prior to the execution of this deed, the issued share capital of the Company consists of the Foundation Share;

(c) the Company has the full power and authority to enter into and perform this agreement contained in this deed and any other documents to be executed by the Company following the agreement contained in this deed, which, when executed, will constitute valid and binding obligations on the Company, in accordance with their respective terms and conditions;

(d) the Company has taken all corporate action required by it to authorise it to perform in accordance with the agreement contained in this deed and any other documents to be executed by it under the agreement contained in this deed.

12.2. Each Investor, save for Little in respect of (a) and (c) below, hereby represents and warrants to each of the Company and the other Investors as of the date of the execution of this deed that:

(a) the respective Investor validly exists and is a legal entity duly incorporated under the laws of its jurisdiction of incorporation;

(b) the respective Investor has the full power and authority to enter into and perform the agreement contained in this deed and any other documents to be executed by the respective Investor under the agreement contained in this deed, which, when executed, will constitute valid and binding obligations on the respective Investor, in accordance with their respective terms and conditions;

(c) the respective Investor has taken all corporate action required by it to authorise it to perform in accordance with the agreement contained in this deed and any other documents to be executed by it under the agreement contained in this deed;

(d) the respective Investor is fully entitled to the AG Shares held by it, as set forth in Schedule A, such AG Shares are fully paid-up, they are encumbered neither with a right of pledge nor with a right of usufruct and are not attached.

Miscellaneous.
Article 13.

13.1. The Company hereby agrees to forthwith register the issue of the Shares and the relevant details of the Investors in its register of shareholders and register the issue with the Dutch Trade Register (*handelsregister*) at the Chamber of Commerce (*Kamer van Koophandel*).

13.2. Each of the parties waives any right to dissolve the agreement contained in this deed.

13.3. All costs and expenses connected with this deed will be for the account of the Company.

13.4. The issuance of the Shares and the agreement contained in this deed are subject to the laws of the Netherlands.

13.5. All disputes arising in connection with the agreement laid down in this deed, including disputes concerning the existence and validity thereof, shall be resolved by the courts in Amsterdam, the Netherlands.

13.6. With reference to the Rules of Professional Conduct (*Verordening beroeps- en gedragsregels*) of the Royal Dutch Organisation of Civil Law Notaries (*Koninklijke Notariële Beroepsorganisatie*) all Parties expressly agree that (i) De Brauw Blackstone Westbroek N.V. acts as counsel to the Company in connection with, or acts as counsel for or on behalf of the Company in the event of any dispute relating to, this agreement or any related agreement, and that (ii) a civil law notary (*notaris*) of De Brauw Blackstone Westbroek N.V. executes deeds connected with this agreement or any related agreement.

Finally, the person appearing declares that through the execution of this deed (i) the condition precedent as included in the Shareholder Resolution, being the execution of this deed of issue, is fulfilled by means of the execution of this deed, as a consequence of which the Foundation Share is cancelled, and (ii) the Shares are issued to the Investors.

A photocopy of the Shareholder Resolution is attached to this deed.

Sufficient proof of the existence of the powers of attorney has been given to me, notaris.

The written powers of attorney to the person appearing are evidenced by [twelve] ([12]) private instruments, which are attached to this deed.

In witness whereof the original of this deed which will be retained by me, notaris, is executed in Amsterdam, on the date first mentioned in the head of this deed.

Having conveyed the substance of the deed and given an explanation thereto and having pointed out the consequences arising from the contents of the deed for the parties and following the statement of the person appearing that [he][she] has taken note of the contents of the deed and agrees with the partial reading thereof, this deed is signed, immediately after reading those parts of the deed which the law requires to be read, by the person appearing, who is known to me, notaris, and by myself, notaris.

Exhibit 10.12

Investment Agreement Series D Round of Financing Affimed Therapeutics AG,
Heidelberg, Germany dated 24 September 2012

by and between

1. Prof. Dr. Melvyn Little, Immenseeweg 17, 25826 St. Peter-Ording, Germany
2. Deutsches Krebsforschungszentrum, Im Neuenheimer Feld 280, 69120 Heidelberg, Germany

- hereinafter referred to as "**DKFZ**" -

3. AGUTH Holding GmbH, Schloß-Wolfsbrunnenweg 33, 69118 Heidelberg, Germany

- hereinafter referred to as "**AGUTH**" -

4. KfW, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany

- hereinafter referred to as "**KfW**" -

5. tbg Technologie-Beteiligungs-Gesellschaft mbH, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany

- hereinafter referred to as "**tbg**" -

6. SGR Sagittarius Holding AG, Poststrasse 30, 6301 Zug, Switzerland

- hereinafter referred to as "**SGR**" -

7. BioMed Invest I Ltd., Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey, GY1 2QE, Channel Islands

- hereinafter referred to as "**BMI**" -

8. OrbiMed Associates III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA

- hereinafter referred to as "**OrbiMed**" -

9. Caduceus Private Investments III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA

- hereinafter referred to as "**Caduceus**" -

10. LSP III Omni Investment Coöperatief U.A., Johannes Vermeerplein 9, 1071 DV Amsterdam, The Netherlands

- hereinafter referred to as "**LSP**" -

11. Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark

- hereinafter referred to as "**Novo Nordisk**" -

12. Affimed Therapeutics AG, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany.

The parties named under 1. to 11. above are hereinafter also collectively referred to as the "**Shareholders**" and each individually as a "**Shareholder**". The parties named under 6. to 11. above are hereinafter also collectively referred to as the "**Lenders**" and each individually as a "**Lender**". The parties named under 2. and 6. to 11. above are hereinafter also collectively referred to as the "**Series D Investors**" and each individually as a "**Series D Investor**". The parties named under 1. to 12. above are hereinafter also collectively referred to as the "**Parties**" and each individually as a "**Party**".

Preamble

The Shareholders are the sole shareholders of Affimed Therapeutics AG with its registered seat in Heidelberg, Germany, registered with the Commercial Register of the Mannheim Local Court under no. HRB 336536 (hereinafter also referred to as the "**Company**"). The object of the Company is the development, the manufacture, the service and the distribution of products and processes based on antibodies.

The share capital of the Company currently amounts to EUR 1,668,727.00, is fully paid in and divided into 1,668,727 non-par value shares in registered form with a portion of the Company's share capital (*anteiliger Betrag des Grundkapitals*) of EUR 1.00 each, thereof 63,323 Common Shares, 130,939 Series A Preferred Shares, 987,499 Series B Preferred Shares and 486,966 Series C Preferred Shares. Prior to the series D round of financing of the Company laid down in this "Investment Agreement Series D Round of Financing Affimed Therapeutics AG, Heidelberg, Germany dated 24 September 2012" (hereinafter referred to as "**this Agreement**" or the "**1st Amendment**"), the Shareholders and the Company hold shares of the Company as set forth in the following table.

Shareholder	Common Shares (number)	Series A Preferred Shares (number)	Series B Preferred Shares (number)	Series C Preferred Shares (number)	Total Shares (number)	Shareholding undiluted (% rounded)
Prof. Dr. Melvyn Little	20,028				20,028	1.20
DKFZ	650	1,482		1,311	3,443	0.21
AGUTH	17,257	56,292			73,549	4.41
KfW		44,446			44,446	2.66
tbg		9,713	9,713		19,426	1.16
SGR			291,393	145,696	437,089	26.19
BMI			97,131	48,565	145,696	8.73
OrbiMed			3,054	1,527	4,581	0.27
Caduceus			320,716	160,359	481,075	28.83
LSP			97,131	48,565	145,696	8.73
Novo Nordisk			161,885	80,943	242,828	14.55
Company	25,388	19,006	6,476		50,870	3.05
Total	**63,323**	**130,939**	**987,499**	**486,966**	**1,668,727**	**100.00**

The Shareholders and the Company are parties to the "Series C Investment and Shareholders' Agreement with respect to Affimed Therapeutics AG in Heidelberg" dated 8 April 2010 (hereinafter referred to as the "**Shareholders' Agreement**"). Capitalized terms used but not defined in this Agreement shall have the same meaning as given to them in any definitions in the Shareholders' Agreement, unless specifically defined otherwise in this Agreement. The parts of the Shareholders' Agreement which are still relevant are attached as Annex P to this Agreement.

By loan agreement dated 7 March 2012 (hereinafter referred to as the "**Loan Agreement**"), the Lenders granted a loan to the Company in the total principal amount of EUR 4,750,000.00, which has been drawn down in the total amount of EUR 4,450,000.00, whereby each of the Lenders paid to the Company the amount as set forth in the following table (hereinafter collectively referred to as the "**Loans**" and each individually as the "**Loan**").

Lender	Loan (EUR)
SGR	1,335,000.00
BMI	445,000.00
OrbiMed	8,680.00
Caduceus	1,474,505.00
LSP	445,000.00
Novo Nordisk	741,815.00
Total	**4,450,000.00**

The Company seeks growth financing in the total amount of app. EUR 15,500,000.00 (including the Loans and interest accrued thereon) as a series D round of financing at a pre-money valuation of EUR 57,716,210.00 fully-diluted against subscription of new Series D Preferred Shares (*Aktien der Vorzugsserie D*) and additional contributions to the capital reserves of the Company pursuant to § 272 (2) No. 4 German Commercial Code (*HGB*) to be made in two tranches.

The Series D Investors are prepared to commit an investment of fresh money in the amount of EUR 10,772,415.00 in aggregate as equity capital in accordance with the terms and conditions of this Agreement. In the course of the first tranche, the Loans and interest accrued thereon shall be converted into equity by way of additional contributions to the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB and the subscription of new Series D Preferred Shares against payment of the issue price of EUR 1.00 per share in cash resulting in further fresh money in the amount of EUR 153,750.00 in aggregate in accordance with the terms and conditions of this Agreement.

With respect to the principles of the legal relationship between all Shareholders as shareholders of the Company, the Shareholders' Agreement, as amended by this Agreement, shall continue to apply, in addition to the terms of the Articles of Association of the Company, as amended by this Agreement.

NOW, THEREFORE, the Parties hereby enter into this Agreement.

Section I
Financing Structure

§ 1
Commitments

(1) Each of the Lenders commits individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to invest in the first tranche of the series D round of financing of the Company laid down in this Agreement (i) the principal amount of the Loan paid by him to the Company and any and all interest accrued thereon, each as set forth in the following table, as additional contributions to the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB, and in addition (ii) fresh money as issue price of EUR 1.00 per share for new Series D Preferred Shares as set forth in the following table, in each case in accordance with the terms and conditions of this Agreement.

Lender	Loan Principal Amount (EUR)	Loan Interest (EUR)	Issue Price Series D Preferred Shares (EUR)	Total Loan Conversion (EUR)
SGR	1,335,000.00	43,500.00	46,125.00	1,424,625.00
BMI	445,000.00	14,500.00	15,375.00	474,875.00
OrbiMed	8,680.00	347.00	302.00	9,329.00
Caduceus	1,474,505.00	47,981.00	50,943.00	1,573,429.00
LSP	445,000.00	14,500.00	15,375.00	474,875.00
Novo Nordisk	741,815.00	24,172.00	25,630.00	791,617.00
Total	**4,450,000.00**	**145,000.00**	**153,750.00**	**4,748,750.00**

(2) Each of the Series D Investors commits individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to invest in the series D round of financing of the Company laid down in this Agreement fresh money in the total amount as set forth in the following table as issue price for new Series D Preferred Shares and additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB, in each case in two tranches in accordance with the terms and conditions of this Agreement.

Series D Investor	Issue Price Series D Preferred Shares (EUR)	Payments into the Capital Reserves (EUR)	Total New Investment (EUR)
DKFZ	551.00	16,467.00	17,018.00
SGR	132,008.00	3,945,210.00	4,077,218.00
BMI	34,825.00	1,040,798.00	1,075,623.00
OrbiMed	1,080.00	32,264.00	33,344.00
Caduceus	114,994.00	3,436,712.00	3,551,706.00
LSP	34,825.00	1,040,798.00	1,075,623.00
Novo Nordisk	30,495.00	911,388.00	941,883.00
Total	**348,778.00**	**10,423,637.00**	**10,772,415.00**

(3) The Shareholders agree that the Lenders' and the Series D Investors' obligations under this § 1 shall exist only on the basis of a contractual agreement by and between the Lenders, the Series D Investors and the Shareholders and not vis-à-vis the Company; the Company itself is not a party to this § 1 and shall not be entitled to demand performance of the obligations under this § 1. The claims under this § 1 shall not be assignable. This § 1 shall not constitute a contract for the benefit of a third party (*kein Vertrag zugunsten Dritter*).

§ 2
First Tranche

(1) The Shareholders shall resolve in an extraordinary Shareholders' Meeting of the Company to be held in the form of a plenary meeting (*Vollversammlung*) immediately after the conclusion of this Agreement

(i) to increase the share capital of the Company from EUR 1,668,727.00 by EUR 324,174.00 to EUR 1,992,901.00 in return for cash contributions by the issue of a total of 324,174 new Series D Preferred Shares in registered form as non-par value shares with a portion of the Company's share capital of EUR 1.00 each. The new Series D Preferred Shares shall be issued for the amount of EUR 1.00 per share (issue price). The new Series D Preferred Shares shall have the right to participate in profits as from 1 January 2012. The new Series D Preferred Shares shall have the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (vi) below, and the Shareholders' Agreement, as amended by this Agreement. To the exclusion of the statutory subscription rights of the Shareholders, the Lenders and the Series D Investors shall be exclusively invited to subscribe and to take over the new Series D Preferred Shares under this § 2 (1) (i) as set forth in the following table.

Lender / Series D Investor	Series D Preferred Shares Loan Conversion (number)	Series D Preferred Shares New Investment First Tranche (number)	Series D Preferred Shares Total (number)
DKFZ	N/A	269	269
SGR	46,125	64,503	110,628
BMI	15,375	17,017	32,392
OrbiMed	302	528	830
Caduceus	50,943	56,189	107,132
LSP	15,375	17,017	32,392
Novo Nordisk	25,630	14,901	40,531
Total	**153,750**	**170,424**	**324,174**

(ii) to convert all existing Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares into Series D Preferred Shares with the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (vi) below, and the Shareholders' Agreement, as amended by this Agreement, at a conversion ratio of 1:1;

(iii) to terminate the Authorized Capital 2010 (*Genehmigtes Kapital 2010*) under § 5 (4) of the Articles of Association of the Company;

(iv) to create a new Authorized Capital 2012 (*Genehmigtes Kapital 2012*) authorizing the Management Board to increase with the approval of the Supervisory Board the share capital of the Company up until 31 December 2015 once or several times by in total up to EUR 145,696.00 in return for cash contributions by the issue of in total up to 145,696 new Series D Preferred Shares in registered form, which shall be issued as non-par value shares with a portion of the Company's share capital of EUR 1.00 each for the amount of EUR 1.00 per share (issue price). The new Series D Preferred Shares shall have the right to participate in profits as from the beginning of the current business year at the time of the utilization of the Authorized Capital 2012. The new Series D Preferred Shares shall have the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (vi) below, and the Shareholders' Agreement, as amended by this Agreement. The statutory subscription rights of the Shareholders shall be excluded. The Management Board shall be authorized to determine the further details of the consummation of the increase of the share capital utilizing the Authorized Capital 2012 with the approval of the Supervisory Board. The Supervisory Board shall be authorized to adapt the wording of the Articles of Association of the Company after the full or partial consummation of the increase of the share capital utilizing the Authorized Capital 2012 or after the expiry of the Authorized Capital 2012 in accordance with the volume of the increase of the share capital utilizing the Authorized Capital 2012;

(v) to amend the Conditional Capital 2007-I (*Bedingtes Kapital 2007-I*) to the effect that henceforth it provides for the issuance of Series D Preferred Shares rather than Series C Preferred Shares; and

(vi) to amend the Articles of Association of the Company as set forth in Annex 2.1 (vi) to this Agreement.

(2) Each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, to do or cause to be done everything necessary or appropriate to implement the measures agreed in § 2 (1) above.

Thus, each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, in particular without limitation to participate in the Shareholders' Meeting as set forth in § 2 (1) above, to exercise his voting rights and other rights in such Shareholders' Meeting and in the special resolutions or special meetings of the holders of the different classes of Shares in favour of the measures agreed in § 2 (1) above, to expressly approve the conversion of all existing Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares held by him into Series D Preferred Shares as set forth in § 2 (1) (ii) above, and to waive the subscription rights to which he is entitled for the subscription to new shares to the extent described.

Further, each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, to omit any and all actions which could prevent or make the implementation of the measures agreed in § 2 (1) above more difficult as well as to waive any and all rights to raise objections to, and to challenge, the resolutions of the Shareholders' Meeting under § 2 (1) above.

(3) Each of the Lenders and each of the Series D Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, to subscribe and to take over the new Series D Preferred Shares under § 2 (1) (i) above to the stated extent immediately after the end of the Shareholders' Meeting under § 2 (1) above, and to pay in full and in cash (without any deductions for bank fees) the total issue price of

EUR 1.00 per new Series D Preferred Share subscribed by him within five (5) Business Days after such subscription to the Company's special account for the increase of the share capital (*Kapitalerhöhungssonderkonto*) with Deutsche Bank AG, account no.: XXXXXXX XX, bank sorting code: XXXXXXXX, IBAN: XXXX XXXX XXXX XXXX XXXX XX, BIC/SWIFT: XXXXXXXXXXX, ref.: "issue price capital increase September 2012". Payments shall be made exclusively to this special account, which will be opened solely for this purpose and must not be used for other transactions or payments prior to the aforementioned payments. This special account must not have a debit balance immediately prior to the aforementioned payments being effected, so that the Company's Management Board can freely dispose of the amounts paid (cf. §§ 188, 36, 36 a, 37 German Stock Corporation Act (*AktG*)).

The subscriptions shall only become non-binding, if the consummation of the increase of the share capital under § 2 (1) (i) above has not been registered with the Commercial Register within six months after the date of the Shareholders' Meeting under § 2 (1) above, in which case each Lender and each Series D Investor shall have the (additional) right to request from all Shareholders to resolve again the increase of the share capital under § 2 (1) (i) above with respect to his individual share of the increase of the share capital as set forth in the table in § 2 (1) (i) above and to renew the subscription for the corresponding new Series D Preferred Shares on the terms and conditions set forth in this Agreement.

(4) After the subscription and taking over of the new Series D Preferred Shares under § 2 (1) (i) above and the receipt of the total issue price for the new Series D Preferred Shares from all of the Lenders and Series D Investors, the Company shall as soon as practicable apply for registration of the resolutions to increase the share capital, to convert all existing Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares into Series D Preferred Shares, to terminate the Authorized Capital 2010, to create a new Authorized Capital 2012, to amend the Conditional Capital 2007-I and to amend the Articles of Association of the Company and of the consummation of the increase of the share capital with the Commercial Register and shall take all other measures and make all other declarations necessary or appropriate for the measures described in § 2 (1) above to become effective.

Should the Commercial Register make valid objections to the resolutions of the Shareholders' Meeting under § 2 (1) above, the Shareholders undertake vis-à-vis each other, to remove such objections as soon as practicable by way of adopting the necessary resolutions in the Shareholders' Meeting of the Company and in the special resolutions of the holders of the different classes of Shares so that the purpose and intention of the resolutions objected to can be achieved to the maximum permissible extent.

(5) The Shareholders undertake vis-à-vis each other, as from the conclusion of this Agreement and up until the consummation of the increase of the share capital, the conversion of all existing Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares into Series D Preferred Shares and the amendments to the Articles of Association under § 2 (1) above have been registered with the Commercial Register, to treat each other, to the extent legally permissible, as if the amendments to the Articles of Association had already come into force upon the end of the Shareholders' Meeting under § 2 (1) above, the conversion of all existing Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares into Series D Preferred Shares had already come into force upon the end of the Shareholders' Meeting under § 2 (1) above, and each of the Lenders and Series D Investors had already acquired the new Series D Preferred Shares to be issued under § 2 (1) (i) above upon subscription and payment of the total issue price of EUR 1.00 per new Series D Preferred Share, respectively. Thus, each of the Shareholders undertakes individually for himself vis-à-vis each of the Lenders and Series D Investors, as from the subscription of the new Series D Preferred Shares under § 2 (1) (i) above and payment of the total issue price of EUR 1.00 per new Series D Preferred Share, respectively, in particular without limitation to put each of the Lenders and Series D Investors internally in such position as they each would be in, if they had acquired the financial rights (*Vermögensrechte*) and, to the extent legally permissible, the administrative rights (*Verwaltungsrechte*) under this Agreement, the Shareholders' Agreement, as

amended by this Agreement, and the Articles of Association of the Company resulting from the new Series D Preferred Shares to be issued under § 2 (1) (i) above already upon subscription and payment of the total issue price of EUR 1.00 per new Series D Preferred Share, respectively.

§ 3
Milestone

(1) The Shareholders agree on the following milestone which shall be considered to have been achieved or not in accordance with § 3 (2) and (3) below:

Fulfilment of all of the following conditions by 30 June 2013 at the latest:

(a) Results of the non-GLP in vitro cytokine release data, testing the safety relevant settings; and

(b) Results of a Scientific Advise meeting with one national authority

(hereinafter collectively referred to as the "**Milestone**").

The Lead Investors' Majority (as defined below) may at any time in its free discretion determine with binding effect for all Series D Investors and Shareholders a later date for the fulfilment of the conditions for the Milestone than the date set forth above. Likewise, the Lead Investors' Majority may at any time in its free discretion determine with binding effect for all Series D Investors and Shareholders to waive the fulfilment of particular conditions for the achievement of the Milestone set forth above.

(2) If the Management Board is of the opinion that the Milestone has been achieved, it shall notify all Shareholders thereof in a written report and produce adequate evidence (hereinafter referred to as the "**Milestone Notice**"). If the Management Board has not sent the Milestone Notice within four calendar weeks after the final date for the

fulfilment of the Milestone under § 3 (1) above at the latest, then the Milestone shall be considered to have not been achieved, whereby the relevant time shall be the sending of the Milestone Notice by the Management Board.

(3) The Milestone shall be considered to have been achieved, unless a Series D Investor or Series D Investors individually or collectively holding more than 25 % of all Series D Preferred Shares within two calendar weeks after receipt of the Milestone Notice has/have objected to the Milestone Notice in writing, by telefax or e-mail to the Management Board, whereby the relevant time shall be the receipt of the objection(s) by the Management Board. If the Milestone shall be considered to have been achieved in accordance with the preceding sentence, the Management Board shall inform all Shareholders thereof in writing, by telefax or e-mail.

If, however, a Series D Investor or Series D Investors has/have objected to the Milestone Notice in accordance with the first sentence of this § 3 (3) and the Management Board and this Series D Investor or these Series D Investors cannot reach an agreement on the fulfilment of the Milestone within one calendar week after receipt of the objection(s) by the Management Board, then the Management Board shall inform all Shareholders thereof without undue delay in writing, by telefax or e-mail. In this case, the question as to whether the Milestone shall be considered to have been achieved or not shall be finally determined with binding effect on all Parties by the Lead Investors' Majority as arbitration expert (*Schiedsgutachter*). The determination of the Lead Investors' Majority as to whether the Milestone has been achieved shall be based on an opinion of an independent expert appointed by the Lead Investors' Majority or, if the Lead Investors' Majority does not so appoint an independent expert within one calendar week after the demand of any Series D Investor to do so, by the *Industrie- und Handelskammer Rhein-Neckar*. The Series D Investors shall endeavour to obtain the opinion of the independent expert within two calendar weeks after his appointment. Furthermore, the Supervisory Board shall be consulted with respect to the question as to whether the Milestone has been achieved or not within the same time limit. The Lead Investors' Majority shall determine in accordance with the foregoing provisions whether the Milestone shall be considered to have been achieved within one calendar week after the receipt of the opinion of the independent expert.

If the Lead Investors' Majority approves the determination of the achievement of the Milestone, then the Milestone shall be considered to have been achieved; if the Lead Investors' Majority declines the determination of the achievement of the Milestone, then the Milestone shall be considered to have not been achieved.

The costs of the independent expert and the *Industrie- und Handelskammer Rhein-Neckar*, if any, shall be borne by the Company and the objecting Series D Investor(s) applying §§ 91 *et seq.* German Code of Civil Procedure (*ZPO*) *mutatis mutandis*.

(4) The obligations of the Series D Investors to subscribe and to take over new Series D Preferred Shares under § 4 below and the obligations of the Series D Investors to render additional payments into the capital reserves of the Company under § 5 (2) below shall by way of a condition precedent (*aufschiebende Bedingung*) exist only after the Milestone shall be considered to have been achieved pursuant to § 3 (3) above; provided, however, that the Lead Investors' Majority may at any time in its free discretion determine with binding effect for all Series D Investors and Shareholders to waive the achievement of the Milestone, in which case the obligations of the Series D Investors to subscribe and to take over new Series D Preferred Shares under § 4 below and the obligations of the Series D Investors to render additional payments into the capital reserves of the Company under § 5 (2) below shall exist irrespective of whether the Milestone shall be considered to have been achieved or not.

(5) Each of the Series D Investors may at any time in its free discretion in writing, by telefax or e-mail to all Shareholders and the Company waive with respect to his own obligations (and only with respect to his own obligations) to subscribe and to take over new Series D Preferred Shares under § 4 below and to render additional payments into the capital reserves of the Company under § 5 (2) below the achievement of the Milestone.

In case of a waiver of the achievement of the Milestone under this § 3 (5), all Shareholders shall be obliged to resolve in an extraordinary Shareholders' Meeting of the Company to be held in the form of a plenary meeting to be held without undue delay after a corresponding waiver to further increase the share capital of the Company in return for cash contributions in accordance with § 4 (1) below, whereby to the exclusion of the statutory subscription rights of the Shareholders, only the Series D Investor who declared a waiver of the achievement of the Milestone under this § 3 (5) shall be invited to subscribe and to take over new Series D Preferred Shares in such number to which such Series D Investor would be invited to subscribe and to take over pursuant to § 4 (1) below if the Milestone were considered to have been achieved; § 2 (2) to (5) above shall apply *mutatis mutandis*. In such case, the respective Series D Investor shall also be obliged to render the additional payments into the capital reserves of the Company under § 5 (2) below applying § 5 (2) below *mutatis mutandis*; § 4 (3) and § 5 (4) below shall apply *mutatis mutandis*.

In the event that a Series D Investor waives with respect to his own obligations in accordance with this § 3 (5) the achievement of the Milestone and as a result fulfils the corresponding obligations to subscribe and to take over new Series D Preferred Shares under § 4 below and to render additional payments into the capital reserves of the Company under § 5 (2) below, then to such extent there shall be no further obligations of the respective Series D Investor when thereafter the Milestone shall be considered to have been achieved.

§ 4
Second Tranche

(1) As soon as practicable, but in any event not later than two calendar weeks after the earliest of (a) the Management Board has informed all Shareholders in accordance with § 3 (3) sentence 2 above that the Milestone shall be considered to have been achieved or (b) the Company has informed all Shareholders that the Milestone shall be considered to have been achieved in accordance with the second-last sentence of

§ 3 (3) above or (c) the Company has informed all Shareholders that the Lead Investors' Majority has determined to waive the achievement of the Milestone in accordance with the last sentence of § 3 (4) above, the Shareholders shall resolve in an extraordinary Shareholders' Meeting of the Company to be held in the form of a plenary meeting to further increase the share capital of the Company from EUR 1,992,901.00 by EUR 178,354.00 to EUR 2,171,255.00 in return for cash contributions by the issue of a total of 178,354 new Series D Preferred Shares in registered form as non-par value shares with a portion of the Company's share capital of EUR 1.00 each. The new Series D Preferred Shares shall be issued for the amount of EUR 1.00 per share (issue price). The new Series D Preferred Shares shall have the right to participate in profits as from 1 January 2013. The new Series D Preferred Shares shall have the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (vi) above, and the Shareholders' Agreement, as amended by this Agreement. To the exclusion of the statutory subscription rights of the Shareholders, the Series D Investors shall be exclusively invited to subscribe and to take over the new Series D Preferred Shares under this § 4 (1) as set forth in the following table.

Series D Investor	Series D Preferred Shares New Investment Second Tranche (number)
DKFZ	282
SGR	67,505
BMI	17,808
OrbiMed	552
Caduceus	58,805
LSP	17,808
Novo Nordisk	15,594
Total	**178,354**

The Shareholders agree that the obligations to pass the above resolution in an extraordinary Shareholders' Meeting of the Company shall not apply if the

Management Board with the approval of the Supervisory Board resolves to increase the share capital of the Company utilizing the Authorized Capital 2012 and invites the Series D Investors to subscribe and to take over new Series D Preferred Shares as set forth in this § 4 (1).

(2) § 2 (2) to (5) above shall apply *mutatis mutandis*.

(3) Any reference in this Agreement or the Shareholders' Agreement, as amended by this Agreement, to Series D Preferred Shares issued under § 4 (1) of this Agreement shall refer to an increase of the share capital of the Company either resolved by the Shareholders' Meeting or utilizing the Authorized Capital 2012.

§ 5
Non-statutory Financial Agreements

(1) Each of the Series D Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of EUR 1.00 for each new Series D Preferred Share subscribed by him under § 2 (1) (i) above and relating to his new investment of fresh money in the first tranche under § 1 (2) above, additional payments into the capital reserves of the Company (*sonstige Zuzahlungen in die Kapitalrücklagen der Gesellschaft*) pursuant to § 272 (2) No. 4 HGB in the amount as set forth in the following table (without any deductions for bank fees) to the Company's bank account with Deutsche Bank AG, account no.: XXXXXXX XX, bank sorting code: XXXXXXXX, IBAN: XXXX XXXX XXXX XXXX XXXX XX, BIC/SWIFT: XXXXXXXXXXX, ref.: "capital reserves", which shall in each case become due for payment to the Company in one sum concurrently with the total issue price of the new Series D Preferred Shares under § 2 (1) (i) above, but by way of a condition precedent only after the passing of the resolutions of the Shareholders' Meeting of the Company under § 2 (1) above.

Series D Investor	Payments into the Capital Reserves First Tranche (EUR)
DKFZ	8,046.00
SGR	1,927,744.00
BMI	508,563.00
OrbiMed	15,765.00
Caduceus	1,679,277.00
LSP	508,563.00
Novo Nordisk	445,330.00
Total	**5,093,288.00**

(2) Each of the Series D Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of EUR 1.00 for each new Series D Preferred Share subscribed by him under § 4 (1) above, and in addition to the additional payments into the capital reserves of the Company set forth in § 5 (1) above, further additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB in the amount as set forth in the following table (without any deductions for bank fees) to the Company's bank account set forth in § 5 (1) above, which shall in each case become due for payment to the Company in one sum concurrently with the total issue price of the new Series D Preferred Shares under § 4 (1) above, but by way of a condition precedent not earlier than the first tranche of the additional payments into the capital reserves of the Company under § 5 (1) above.

Series D Investor	Payments into the Capital Reserves Second Tranche (EUR)
DKFZ	8,421.00
SGR	2,017,466.00
BMI	532,235.00
OrbiMed	16,499.00
Caduceus	1,757,435.00
LSP	532,235.00
Novo Nordisk	466,058.00
Total	**5,330,349.00**

(3) Each of the Lenders undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of EUR 1.00 for each new Series D Preferred Share subscribed by him under § 2 (1) (i) above and relating to the conversion of the principal amount of the Loan paid by him to the Company and any and all interest accrued thereon into equity under § 1 (1) above, and in addition to the additional payments into the capital reserves of the Company set forth in § 5 (1) above and § 5 (2) above, further additional contributions to the capital reserves of the Company (*sonstige Leistungen in die Kapitalrücklagen der Gesellschaft*) pursuant to § 272 (2) No. 4 HGB by way of an assignment to the Company of the principal amount of the Loan paid by him to the Company and any and all interest accrued thereon, within five Business Days after receipt of a notification from the Company in writing, by telefax or e-mail that the consummation of the increase of the share capital under § 2 (1) (i) above has been registered with the Commercial Register. For clarification purposes: The further additional contributions to the capital reserves of the Company under this § 5 (3) shall comprise any and all interest accrued on the Loans up until the effectiveness of the assignment to the Company of the principal amount of the Loans, and not only the interest accrued up until the date of the conclusion of this Agreement.

(4) The Shareholders agree that the obligations of the Lenders and the Series D Investors to render additional payments and contributions to the capital reserves of the Company under this § 5 shall exist only on the basis of a contractual agreement by and between the Lenders, the Series D Investors and the Shareholders and not vis-à-vis the Company; the Company itself is not a party to this § 5 and shall not be entitled to demand the additional payments and contributions under this § 5. The claims under this § 5 shall not be assignable. This § 5 shall not constitute a contract for the benefit of a third party.

§ 6
Defaulting Lender / Defaulting Series D Investor

(1) In the event that a Lender and/or Series D Investor fails to comply in a timely fashion with his obligations as set forth in § 5 above (the "**Defaulting Investor**"), the Company shall immediately notify such Defaulting Investor in writing and inform all Shareholders by registered mail (the "**Default Notice**"). Upon receipt of the Default Notice, the Defaulting Investor shall be obliged within thirty (30) Business Days after receipt of the Default Notice to render all contributions in default, plus interest calculated at 10 % p.a. beginning on the date on which the respective contribution was due and payable to the Company (the "**Additional Payment Period**").

(2) In the event that the Defaulting Investor shall not have satisfied such obligations in full within the Additional Payment Period, the Lead Investors, based on a Lead Investors' Majority vote (calculated with the exclusion of the Defaulting Investor), shall, within thirty (30) Business Days after expiration of the Additional Payment Period, be entitled to make written demand of the Defaulting Investor to either (i) irrevocably offer all of the Series D Preferred Shares subscribed by the Defaulting Investor under § 2 (1) (i) above and § 4 (1) above without consideration to the Company or (ii) approve the conversion of all such Series D Preferred Shares into Common Shares. The obligations of the Defaulting Investor under § 5 above shall remain unaffected thereby and each Shareholder shall be entitled to enforce the obligations of the Defaulting Investor under § 5 above.

§ 7
Use of Proceeds

The proceeds from the series D round of financing of the Company laid down in this Agreement shall be used exclusively in accordance with the Company's current budget attached as Annex 7 to this Agreement, as adapted and modified with the approval of the Supervisory Board from time to time, for working capital needs, capital expenditures and general corporate purposes of the Company.

§ 8
ESOP

(1) The Shareholders agree that as a means to promote the motivation and the identification of the management and key employees of the Company and its affiliated companies, in addition to the existing employee participation programmes of the Company, a further employee participation programme for the management and key employees of the Company and its affiliated companies (the "**New ESOP**") shall be implemented as soon as practicable after the conclusion of this Agreement, so that the total volume of the New ESOP together with all existing employee participation programmes of the Company is equal to 10.7 % of the share capital of the Company after the consummation of the increases of the share capital under § 2 (1) (i) and § 4 (1) above on a fully-diluted basis. The detailed structure and the terms and conditions of the New ESOP shall be determined by the Lead Investors' Majority.

(2) Each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, to do or cause to be done everything necessary or appropriate to implement the New ESOP according to the detailed structure and the terms and

conditions determined pursuant to § 8 (1) above. § 2 (2) and (4) above shall apply *mutatis mutandis*. Each of the Shareholders expressly accepts the dilution of his participation in the Company which the New ESOP entails.

Section II
Applicability of, and Amendments to, the Shareholders' Agreement

§ 9
Applicability of the Shareholders' Agreement

(1) The Parties agree that unless expressly set forth otherwise in this Agreement, the Shareholders' Agreement, as amended by this Agreement, shall remain in full force and effect, and shall also apply to the new Series D Preferred Shares issued under this Agreement.

(2) Any reference in the Shareholders' Agreement to any provision of the Shareholders' Agreement shall henceforth refer to such provision of the Shareholders' Agreement, as amended by this Agreement.

(3) Any definitions of terms in this Agreement shall also apply in the Shareholders' Agreement, as amended by this Agreement.

(4) "**Common Shares**" shall mean all Shares which are not Series A Preferred Shares, Series B Preferred Shares, Series C Preferred Shares or Series D Preferred Shares including, for the avoidance of doubt, all Shares which under any provision of the Shareholders' Agreement, as amended by the 1st Amendment, or the 1st Amendment shall be converted into Common Shares, but excluding all Shares currently held by AGUTH (including the 17,257 Shares which up to now have been designated as Common Shares) which shall all be Series D Preferred Shares.

"**Series D Preferred Shares**" shall mean all Shares (i) which are issued under § 2 (1) (i) or § 4 (1) or § 16 of the 1st Amendment or (ii) which result from the conversion under § 2 (1) (ii) of the 1st Amendment or (iii) which are currently held by AGUTH.

"**Lead Investors' Majority**" shall mean a majority of 70 % of the Series D Preferred Shares held by the Lead Investors voting together as a single class, replacing the corresponding definition in the Definitions of the Shareholders' Agreement.

§ 10
Equal Treatment of the Shareholders

The first paragraph of section E 1.1 of the Shareholders' Agreement shall be amended and replaced by the following provisions:

"Except for such preferential rights specifically accorded to the Series D Preferred Shares, each Shareholder shall be accorded equal rights, according to his shareholding. Each Share is entitled to one vote."

§ 11
Resolutions requiring Qualified Majority of the Investors; Voting Agreements; Future Financing Agreements

(1) Any reference in section E 1.5 of the Shareholders' Agreement to the holders of Series C Preferred Shares shall henceforth refer to the holders of Series D Preferred Shares.

(2) The second paragraph of section E 1.5 of the Shareholders' Agreement shall be amended and replaced by the following provisions:

"The holders of Series D Preferred Shares shall meet immediately prior to any Shareholders' Meeting of the Company if there are any items on the agenda of the Shareholders' Meeting which require their consent as provided hereunder (be it unanimously, majority or by qualified majority decision). They shall cast their votes as to such agenda items applying the rules for voting shares in the Shareholders' Meeting of the Company *mutatis mutandis*. If the motion in question is approved with a Lead Investors' Majority, all Shareholders (including all holders of Series D Preferred Shares) shall be obliged to vote in favour of such motion in the Shareholders' Meeting of the Company and in the special resolutions or special meetings of the holders of the different classes of Shares, if applicable. If the motion in question is not approved with a Lead Investors' Majority, all Shareholders (including all holders of Series D Preferred Shares) shall be obliged to vote against such motion in the Shareholders' Meeting of the Company and in the special resolutions or special meetings of the holders of the different classes of Shares, if applicable."

(3) Subject to the following sentence, each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, to enter into investment agreements and shareholders' agreements and related agreements (including without limitation amendments to and/or termination of this Agreement and/or the Shareholders' Agreement, as amended by this Agreement), to pass resolutions in Shareholders' Meetings of the Company and the special resolutions or special meetings of the holders of the different classes of Shares, and to do or cause to be done everything necessary or appropriate, for further rounds of financing of the Company after the financing laid down in this Agreement (the "**Future Financing Agreements**"), to the extent that the Lead Investors' Majority agree to the terms and conditions of the Future Financing Agreements. Notwithstanding the foregoing, Future Financing Agreements may not (i) oblige or commit or otherwise require Shareholders to make further contributions to the Company, or (ii) diminish or adversely affect the rights or preferences of any Shareholder in a manner disproportionately unfavourable to such Shareholder as compared to other Shareholders in that class of shares, without the prior written consent of the Shareholders affected, which consent shall be given in the sole discretion of the Shareholder and shall not be subject to the prior sentence. § 2 (2) to (5) above shall apply *mutatis mutandis*.

§ 12
Conversion of Shares

Any reference in section E 1.9 of the Shareholders' Agreement to Series A, B and C Preferred Shares or to Preferred Stock shall henceforth refer to Series D Preferred Shares and any reference to Series C Preferred Shareholders shall henceforth refer to the holders of Series D Preferred Shares.

§ 13
Right of First Refusal

Any reference in section F 2 of the Shareholders' Agreement to Series C Shareholders shall henceforth refer to the holders of Series D Preferred Shares.

§ 14
Co-sale Right

The last line of section F 3.2 of the Shareholders' Agreement shall be amended and replaced by the following provisions:

"… after the liquidation preference to the holders of Series D Preferred Shares has been satisfied."

§ 15
Financing in General

The reference in section G 1 of the Shareholders' Agreement to the holders of Series C Preferred Shares shall henceforth refer to the holders of Series D Preferred Shares.

§ 16
Anti-dilution Protection

(1) If at any time prior to the conversion of the Series D Preferred Shares into Common Shares, but after the increases of the Company's share capital under § 2 (1) (i) and § 4 (1) above, the Company issues any new Shares or an equivalent thereof at a price per Share that is less than EUR 30.8861 (the "**Offering**"), each holder of Series D Preferred Shares, acting individually, provided that he has fulfilled his investment obligations under §§ 1 to 5 above, is irrevocably entitled to a broad-based weighted-average anti-dilution protection by being issued and subscribing to that number of new Series D Preferred Shares at par value without premium, so calculated as if such Shareholder has subscribed his respective Series D Preferred Shares resulting from the increases of the Company's share capital under § 2 (1) (i) and § 4 (1) above according to the following formula:

Revised Subscription Price = (Outstanding Shares before the Offering x EUR 30.8861 + total amount raised in the Offering) / Outstanding Shares after the Offering

The difference between EUR 30.8861 and the Revised Subscription Price shall be multiplied by the total number of Series D Preferred Shares resulting from the increases of the Company's share capital under § 2 (1) (i) and § 4 (1) above held by such Shareholder and divided by the result of the Revised Subscription Price minus EUR 1.00. The result of this calculation yields the total number of Series D Preferred Shares to which such holder of Series D Preferred Shares may subscribe at par value.

The holders of Series D Preferred Shares shall receive these Shares in conjunction with the capital increase which led to the diluting issuing of Shares. In the event of stock splits, stock dividends, recapitalization and the like, the anti-dilution protection shall be adjusted accordingly.

(2) Section G 3 of the Shareholders' Agreement shall be terminated and of no further force and effect.

§ 17
Listing

Any reference in section G 4 of the Shareholders' Agreement to Preferred Shares or Preferred Series C Shares shall henceforth refer to Series D Preferred Shares.

§ 18
Dividends

(1) Section H 1 of the Shareholders' Agreement shall be terminated and of no further force and effect.

(2) The Shareholders are in agreement that in case of a stock exchange listing of the (shares of the) Company (the "**Stock Exchange Listing**"), the holders of Series D Preferred Shares shall receive 6 % p.a. IRR on the respective paid in total investment by way of subscription of new Common Shares as follows: In the course of the preparation of the Stock Exchange Listing, the Shareholders shall resolve in favour of an increase of the Company's share capital (the "**IRR Capital Increase**") upon the demand of one or more of the Series D Investors. Each of the Series D Investors individually may request his participation in the IRR Capital Increase without being obliged to do so. As part of the IRR Capital Increase, the Series D Investors, who request this, shall be invited, to the exclusion of the statutory subscription rights of the Shareholders, to subscribe to such number of new Common Shares in return for cash contributions at an issue price equal to the portion of the Company's share capital

attributable to one share without premium or any other contributions to the capital reserves of the Company which is equal to the Return (as defined below) divided by the result of (Listing Price (as defined below) minus EUR 1.00), whereby "**Return**" shall in each case be equal to the amount representing 6 % p.a. IRR on the respective paid in total investment (total issue price plus additional payments and contributions to the capital reserves of the Company pursuant to § 272 (2) HGB including, for the avoidance of doubt, the nominal amount of the principal of the Loans assigned to the Company and any and all interest accrued thereon) on the respective Series D Preferred Shares (including on Shares which were converted into or are deemed to be Series D Preferred Shares) calculated as from and starting with the respective payment thereof to the Company, compounded quarterly in arrears, provided that with respect to the paid in total investment on the former Series A Preferred Shares such IRR shall be calculated only as from and starting with 27 March 2007, and "**Listing Price**" shall be the anticipated issue price or, if the Stock Exchange Listing does not include an offering, the anticipated first quotation of the price of the Shares of the Company in the course of the Stock Exchange Listing as determined in good faith by the Lead Investors' Majority with binding effect on all Shareholders. § 2 (2) to (5) above shall apply *mutatis mutandis*. If the Stock Exchange Listing has not occurred within 120 days after the date of the IRR Capital Increase, then all Shareholders are obliged to co-operate in restoring the position as it was prior to the IRR Capital Increase.

§ 19
Liquidation Preference

Section H 2 of the Shareholders' Agreement shall be amended and replaced by the following provisions:

"In the event of any of the following (each a "**Liquidation Event**" or "**Deemed Liquidation Event**"):

a) a bankruptcy, voluntary or involuntary liquidation, dissolution or winding up of the Company;

b) a (partial) sale (at least 50 %) of the Shares of the Company including the sale triggering a co-sale right as defined in section F 3 of the Shareholders' Agreement, as amended by § 14 of the 1st Amendment, a drag-along as defined in section F 4 of the Shareholders' Agreement;

c) a sale of at least 75 % of all assets (including intellectual property rights) in terms of the Fair Market Value of the Company;

d) a merger, consolidation or acquisition, or any other event involving the Company, pursuant to which the shareholders of the Company will have less than 50.1 % of the voting power of the acquiring company or pursuant to which the Company is not the surviving entity;

e) a reverse take-over;

the proceeds will be allocated among the Shareholders as follows:

(i) First, each of the holders of Series D Preferred Shares shall be entitled to receive, prior to and in preference to all other Shares, an amount equal to 1.33 times (subject to proportional adjustments for stock splits, subdivisions and the like) the paid in total investment (total issue price plus additional payments and contributions to the capital reserves of the Company pursuant to § 272 (2) HGB including, for the avoidance of doubt, the nominal amount of the principal of the Loans assigned to the Company and any and all interest accrued thereon) on his Series D Preferred Shares (including on Shares which were converted into or are deemed to be Series D Preferred Shares), in each case plus an amount representing 6 % p.a. IRR on the respective paid in total investment calculated as from and starting with the respective payment thereof to the Company, compounded quarterly in arrears, provided that with respect to the paid in total investment on the former Series A Preferred Shares such IRR shall be calculated only as from and starting with 27 March 2007; and

(ii) thereafter, the holders of Series D Preferred Shares shall receive any remaining funds on a *pari passu* basis with the holders of Common Shares on an as-if-converted basis.

The total investment amount for former Series A Preferred Shares and Series B Preferred Shares issued to former silent partners (in the meaning of § 230 HGB) to be considered as a basis for the above liquidation preference and IRR shall be limited to EUR 500,000.00 each.

In the event the return of capital to tbg out of the converted share position (Part D.4 of the Series B Investment Agreement) shall be less than EUR 1,750,000.00 for tbg, tbg will receive a minimum return. The minimum return is defined as the return tbg would receive if tbg would have invested the amount of EUR 1,750,000.00 in Series B Preferred Shares up to a maximum return of EUR 1,750,000.00. The risk of fulfilling this downside protection shall be borne by the Series B investors on a pro rata basis and covers the difference between the calculated actual returns for tbg based upon its converted share position (Part D.4 of the Series B Investment Agreement) and the minimum return. Annex 7 to the Shareholders' Agreement contains an exemplary calculation.

If there are insufficient assets or proceeds to pay the liquidation preference amount to the holders of Series D Preferred Shares in full, the amount available will be paid on a pro rata basis between the holders of Series D Preferred Shares in proportion to the maximum amounts the holders of Series D Preferred Shares would be entitled to if the assets or proceeds were sufficient to pay the liquidation preference amount to the holders of Series D Preferred Shares in full.

The holders of Series D Preferred Shares are entitled to the same preference with respect to sale proceeds in case of a sale of Shares in the course of a single or a partial sales transaction or a series of related transactions (in particular as a result of the exercise of co-sale rights, drag along rights and rights of first refusal as described in the Shareholders' Agreement, as amended by the 1st Amendment) or in case of a transformation of the Company except for conversions of the Company's legal form of organization."

§ 20
KfW Participation Principles

The "*Beteiligungsgrundsätze zur Durchführung des ERP-Startfonds – Stand: 01/2011*" attached as Annex 20 to this Agreement (the "**KfW Participation Principles**") are the basis for the participation of KfW in the Company. The Company hereby undertakes vis-à-vis KfW to adhere to the KfW Participation Principles. The KfW Participation Principles shall form an integral part of this Agreement, shall supplement this Agreement and shall prevail over this Agreement in case of doubts. Notwithstanding the termination of this Agreement or the Shareholders' Agreement, the KfW Participation Principles shall remain in force and shall be binding between the Parties as long as KfW holds shares in the Company. The provisions of this § 20 can only be amended, waived or deleted with the consent of KfW.

Section III
Miscellaneous

§ 21
Other Agreements

(1) § 2 of the convertible bridge loan agreement dated 7 March 2012 shall be terminated and of no further force and effect.

(2) § 2 of the Loan Agreement shall be terminated and of no further force and effect, i.e. the Company shall not be entitled to draw down the amount of EUR 300,000.00 not yet drawn down. For clarification purposes: The remaining provisions of the Loan

Agreement shall terminate and be of no further force and effect upon the effectiveness of the assignment to the Company of the principal amount of the Loan paid by the respective Lender to the Company and any and all interest accrued thereon in accordance with § 5 (3) above.

§ 22
Final Provisions

Section J of the Shareholders' Agreement shall apply *mutatis mutandis* to this Agreement.

Ludwigshafen am Rhein, 24 September 2012

/s/ Florian Fischer for Melvyn Little	/s/ Sandra Schmich
(Prof. Dr. Melvyn Little)	(Deutsches Krebsforschungszentrum)
/s/ Florian Fischer for AGUTH Holding GmbH	/s/ Stefanie Wolff
(AGUTH Holding GmbH)	(KfW)
/s/ Florian Fischer for tbg	/s/ Uwe Feuersenger
(tbg Technologie-Beteiligungs-Gesellschaft mbH)	(SGR Sagittarius Holding AG)
/s/ Claudia Heisch	/s/ Florian Fischer for OrbiMed Associates III, LP
(BioMed Invest I Ltd.)	(OrbiMed Associates III, LP)
/s/ Christine Arnold	/s/ Florian Fischer for LSP III Omni Investment Coöperatief U.A.
(Caduceus Private Investments III, LP)	(LSP III Omni Investment Coöperatief U.A.)
/s/ Stefan Mueller	/s/ Eugene Zhukovsky and Florian Fischer
(Novo Nordisk A/S)	(Affimed Therapeutics AG, Management Board)
/s/ Thomas Hecht	
(Affimed Therapeutics AG, Supervisory Board)	

Table of Annexes to the Investment Agreement Series D Round of Financing Affimed Therapeutics AG, Heidelberg, Germany dated 24 September 2012

Annex P	Shareholders' Agreement
Annex 2.1 (vi)	Revised Articles of Association
Annex 7	Budget
Annex 20	KfW Participation Principles

Exhibit 10.13

Investment Agreement Pre-IPO Financing Affimed Therapeutics AG, Heidelberg, Germany

by and between

1. Prof. Dr. Melvyn Little, Immenseeweg 17, 25826 St. Peter-Ording, Germany
2. Deutsches Krebsforschungszentrum, Im Neuenheimer Feld 280, 69120 Heidelberg, Germany

- hereinafter referred to as "**DKFZ**" -

3. AGUTH Holding GmbH, Schloß-Wolfsbrunnenweg 33, 69118 Heidelberg, Germany

- hereinafter referred to as "**AGUTH**" -

4. KfW, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany

- hereinafter referred to as "**KfW**" -

5. tbg Technologie-Beteiligungs-Gesellschaft mbH, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany

- hereinafter referred to as "**tbg**" -

6. SGR Sagittarius Holding AG, Poststrasse 30, 6301 Zug, Switzerland

- hereinafter referred to as "**SGR**" -

7. BioMed Invest I Ltd., Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey, GY1 2QE, Channel Islands

- hereinafter referred to as "**BMI**" -

8. OrbiMed Associates III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA

- hereinafter referred to as "**OrbiMed Associates**" -

9. OrbiMed Private Investments III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA

- hereinafter referred to as "**OrbiMed Private Investments**" -

10. LSP III Omni Investment Coöperatief U.A., Johannes Vermeerplein 9, 1071 DV Amsterdam, The Netherlands

- hereinafter referred to as "**LSP**" -

11. Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark

- hereinafter referred to as "**Novo Nordisk**" -

12. Affimed Therapeutics AG, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany.

The parties named under 1. to 11. above are hereinafter also collectively referred to as the "**Shareholders**" and each individually as a "**Shareholder**". The parties named under 6. to 11. above are hereinafter also collectively referred to as the "**Initial Investors**" and each individually as an "**Initial Investor**". The Initial Investors and the External Investors (as defined below), if any, are hereinafter also collectively referred to as the "**Investors**" and each individually as an "**Investor**". The parties named under 1. to 12. above are hereinafter also collectively referred to as the "**Parties**" and each individually as a "**Party**".

Preamble

The Shareholders are the sole shareholders of Affimed Therapeutics AG with its registered seat in Heidelberg, Germany, registered with the Commercial Register of the Mannheim Local Court under no. HRB 336536 (hereinafter also referred to as the "**Company**"). The object of the Company is the development, the manufacture, the service and the distribution of products and processes based on antibodies.

The share capital of the Company currently amounts to EUR 1,992,901, is fully paid in and divided into 1,992,901 non-par value shares in registered form with a portion of the Company's share capital (*anteiliger Betrag des Grundkapitals*) of EUR 1.00 each, thereof 63,323 Common Shares and 1,929,578 Series D Preferred Shares. Prior to the pre-IPO financing of the Company laid down in this "Investment Agreement Pre-IPO Financing Affimed Therapeutics AG, Heidelberg, Germany" (hereinafter referred to as "**this Agreement**" or the "**2nd Amendment**"), the Shareholders and the Company hold shares of the Company as set forth in the following table.

Shareholder	Common Shares (number)	Series D Preferred Shares (number)	Total Shares (number)	Shareholding undiluted (% rounded)
Prof. Dr. Melvyn Little	20,028		20,028	1.00
DKFZ	650	3,062	3,712	0.19
AGUTH	17,257	56,292	73,549	3.69
KfW		44,446	44,446	2.23
tbg		19,426	19,426	0.97
SGR		547,717	547,717	27.48
BMI		178,088	178,088	8.94
OrbiMed Associates		5,411	5,411	0.27
OrbiMed Private Investments		588,207	588,207	29.52
LSP		178,088	178,088	8.94
Novo Nordisk		283,359	283,359	14.22
Company	25,388	25,482	50,870	2.55
Total	**63,323**	**1,929,578**	**1,992,901**	**100.00**

The Shareholders and the Company are parties to the "Series C Investment and Shareholders' Agreement with respect to Affimed Therapeutics AG in Heidelberg" dated 8 April 2010 (hereinafter referred to as the "**Shareholders' Agreement**") and the "Investment Agreement Series D Round of Financing Affimed Therapeutics AG, Heidelberg, Germany dated 24 September 2012" (hereinafter referred to as the "**1st Amendment**"; the Shareholders' Agreement and the 1st Amendment are hereinafter collectively referred to as the "**Legal Framework**"). Capitalized terms used but not defined in this Agreement shall have the same meaning as given to them in any definitions in the Legal Framework, unless specifically defined otherwise in this Agreement.

By loan agreement dated 28 June 2013 (hereinafter referred to as the "**Loan Agreement**"), the Initial Investors granted a loan to the Company in the total principal amount of EUR 5,100,000, which has been drawn down in the total amount of EUR 5,100,000, whereby each of the Initial Investors paid to the Company the amount as set forth in the following table (hereinafter collectively referred to as the "**Loans**" and each individually as the "**Loan**").

Initial Investor	Loan (EUR)
SGR	1,933,421
BMI	510,002
OrbiMed Associates	20,502
OrbiMed Private Investments	1,679,482
LSP	510,002
Novo Nordisk	446,591
Total	**5,100,000**

The Company seeks growth financing in the total amount of at least EUR 11,702,072 (including the Loans and interest accrued thereon) as a pre-IPO financing against subscription of new Series E Preferred Shares (*Aktien der Vorzugsserie E*) and additional contributions to the capital reserves of the Company pursuant to § 272 (2) No. 4 German Commercial Code (*HGB*) in accordance with the terms and conditions of this Agreement. The Initial Investors are prepared to undertake an investment in the amount of EUR 11,702,072 (including the Loans and interest accrued thereon) in aggregate as equity capital in a first closing of the pre-IPO financing of the Company laid down in this Agreement in accordance with the terms and conditions of this Agreement. Further external investors shall be invited to participate in the pre-IPO financing of the Company laid down in this Agreement by undertaking an investment as equity capital in a second closing at the same terms and conditions in accordance with the terms and conditions of this Agreement.

The valuation applicable to the pre-IPO financing of the Company laid down in this Agreement shall depend on whether an IPO of the Company is closed on or before 31 October 2014 or not. To this end, the pre-IPO financing (first and second closing) shall be rendered in two tranches: In the course of the first tranche, the Initial Investors shall invest a partial amount of EUR 3,000,000 fresh money and shall contribute the Loans and interest accrued thereon to the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB, in each case upon the conclusion of this Agreement. Likewise, the further external investors (if any) shall invest a portion of 70.09 % of their respective total investment undertaken in the second closing as the first tranche of the pre-IPO financing upon completion of the second closing.

The first tranche shall in each case be invested on the basis of a preliminary valuation resulting in a share price of app. EUR 95.1885 per share, which shall be adapted in the course of the second tranche comprising the remaining amount of EUR 3,500,000 fresh money from the Initial Investors and the remaining 29.91 % of the total investments undertaken by the further external investors in the second closing, which shall be invested upon an IPO of the Company or on 1 November 2014, whichever is earlier, in accordance with the terms and conditions of this Agreement. In the event that an IPO of the Company is closed on or before 31 October 2014, the second tranche shall be structured in such a way that the Investors are put in such position as they each would be in if they had invested the first and the second tranche of the pre-IPO financing laid down in this Agreement (including the Loans and interest accrued thereon) against subscription of new Series E Preferred Shares with a discount of 20 % on the share price equal to the lower end of the bookbuilding range for the pricing of the IPO. In the event that the Company has not closed an IPO on or before 31 October 2014, the second tranche shall be structured in such a way that the Investors are put in such position as they each would be in if they had invested the first and the second tranche of the pre-IPO financing laid down in this Agreement (including the Loans and interest accrued thereon) against subscription of new Series E Preferred Shares at a share price of EUR 30.8861 per share.

With respect to the principles of the legal relationship between all Shareholders as shareholders of the Company, the Legal Framework, as amended by this Agreement, shall continue to apply, in addition to the terms of the Articles of Association of the Company.

NOW, THEREFORE, the Parties hereby enter into this Agreement.

Section I
Financing Structure

§ 1
Commitments First Closing

(1) Each of the Initial Investors commits individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to invest in the first tranche of the pre-IPO financing of the Company laid down in this Agreement (i) the principal amount of the Loan paid by him to the Company and any and all interest accrued thereon, each as set forth in the following table, as additional contributions to the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB, and in addition (ii) fresh money as issue price for new Series E Preferred Shares as set forth in the following table, in each case in accordance with the terms and conditions of this Agreement.

Initial Investor	Loan Principal Amount (EUR)	Loan Interest (EUR)	Issue Price New Shares (EUR)	Total Loan Conversion (EUR)
SGR	1,933,421	36,842	20,918	1,991,181
BMI	510,002	11,022	5,532	526,556
OrbiMed Associates	20,502	434	222	21,158
OrbiMed Private Investments	1,679,482	35,549	18,208	1,733,239
LSP	510,002	9,690	5,518	525,210
Novo Nordisk	446,591	8,535	4,832	459,958
Total	**5,100,000**	**102,072**	**55,230**	**5,257,302**

(2) Each of the Initial Investors commits individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to invest in the first tranche and in the second tranche of the pre-IPO financing of the Company laid down in this Agreement fresh money in the total amount as set forth in the following table as issue price for new Series E Preferred Shares and additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB, in each case in accordance with the terms and conditions of this Agreement.

Initial Investor	New Investment First Tranche (EUR)	New Investment Second Tranche (EUR)	Total New Investment (EUR)
SGR	905,681	1,076,446	1,982,127
BMI	294,479	350,002	644,481
OrbiMed Associates	8,947	10,634	19,581
OrbiMed Private Investments	972,634	1,156,022	2,128,656
LSP	294,479	350,002	644,481
Novo Nordisk	486,550	556,894	1,025,444
Total	**2,944,770**	**3,500,000**	**6,444,770**

(3) The Shareholders agree that the Initial Investors' obligations under this § 1 shall exist only on the basis of a contractual agreement by and between the Initial Investors and the Shareholders and not vis-à-vis the Company; the Company itself is not a party to this § 1 and shall not be entitled to demand performance of the obligations under this § 1. The claims under this § 1 shall not be assignable. This § 1 shall not constitute a contract for the benefit of a third party (*kein Vertrag zugunsten Dritter*).

§ 2
Share Capital Increase First Closing First Tranche; Amendments to the Articles of Association

(1) The Shareholders shall resolve in the Shareholders' Meeting of the Company to be held on or about 14 July 2014

(i) to increase the share capital of the Company from EUR 1,992,901 by EUR 86,167 to EUR 2,079,068 in return for cash contributions by the issue of a total of 86,167 new Series E Preferred Shares in registered form as non-par value shares with a portion of the Company's share capital of EUR 1.00 each. The new Series E Preferred Shares shall be issued for the amount of EUR 1.00 per share (issue price). The new Series E Preferred Shares shall have the right to participate

in profits as from 1 January 2014. The new Series E Preferred Shares shall have the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (ii) below, and the Legal Framework, as amended by this Agreement. To the exclusion of the statutory subscription rights of the Shareholders, the Initial Investors shall be exclusively invited to subscribe and to take over the new Series E Preferred Shares under this § 2 (1) (i) as set forth in the following table;

Initial Investor	Series E Preferred Shares Loan Conversion (number)	Series E Preferred Shares New Investment (number)	Series E Preferred Shares Total (number)
SGR	20,918	9,515	30,433
BMI	5,532	3,094	8,626
OrbiMed Associates	222	94	316
OrbiMed Private Investments	18,208	10,218	28,426
LSP	5,518	3,094	8,612
Novo Nordisk	4,832	4,922	9,754
Total	**55,230**	**30,937**	**86,167**

(ii) to amend the Articles of Association of the Company as set forth in Annex 2.1 (ii) to this Agreement.

(2) Each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, to do or cause to be done everything necessary or appropriate to implement the measures agreed in § 2 (1) above.

Thus, each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, in particular without limitation to participate in the Shareholders' Meeting as set forth in § 2 (1) above, to exercise his voting rights and other rights in such Shareholders' Meeting and in the special resolutions or special meetings of the holders of the different classes of Shares in favour of the measures agreed in § 2 (1) above, and to waive the subscription rights to which he is entitled for the subscription to new shares to the extent described.

Further, each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, to omit any and all actions which could prevent or make the implementation of the measures agreed in § 2 (1) above more difficult as well as to waive any and all rights to raise objections to, and to challenge, the resolutions of the Shareholders' Meeting under § 2 (1) above.

(3) Each of the Initial Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, to subscribe and to take over the new Series E Preferred Shares under § 2 (1) (i) above to the stated extent immediately after the end of the Shareholders' Meeting under § 2 (1) above, and to pay in full and in cash (without any deductions for bank fees) the total issue price of EUR 1.00 per new Series E Preferred Share subscribed by him within five (5) Business Days after such subscription to the Company's special account for the increase of the share capital (*Kapitalerhöhungssonderkonto*) with Deutsche Bank AG, account no.: XXXXXXXXX, bank sorting code: XXX XXX XX, IBAN: DE XXXXXXXXXXXXXXXXXXXX, BIC/SWIFT: XXXXXXXXXXX, ref.: "issue price capital increase July 2014". Payments shall be made exclusively to this special account, which will be opened solely for this purpose and must not be used for other transactions or payments prior to the aforementioned payments. This special account must not have a debit balance immediately prior to the aforementioned payments being effected, so that the Company's Management Board can freely dispose of the amounts paid (cf. §§ 188, 36, 36 a, 37 German Stock Corporation Act (*AktG*)).

The subscriptions shall only become non-binding, if the consummation of the increase of the share capital under § 2 (1) (i) above has not been registered with the Commercial Register within six months after the date of the Shareholders' Meeting under § 2 (1) above, in which case each Initial Investor shall have the (additional) right to request from all Shareholders to resolve again the increase of the share capital under § 2 (1) (i) above with respect to his individual share of the increase of the share capital as set forth in the table in § 2 (1) (i) above and to renew the subscription for the corresponding new Series E Preferred Shares on the terms and conditions set forth in this Agreement.

(4) After the subscription and taking over of the new Series E Preferred Shares under § 2 (1) (i) above and the receipt of the total issue price for the new Series E Preferred Shares from all of the Initial Investors, the Company shall as soon as practicable apply for registration of the resolutions to increase the share capital and to amend the Articles of Association of the Company and of the consummation of the increase of the share capital with the Commercial Register and shall take all other measures and make all other declarations necessary or appropriate for the measures described in § 2 (1) above to become effective.

Should the Commercial Register make valid objections to the resolutions of the Shareholders' Meeting under § 2 (1) above, the Shareholders undertake vis-à-vis each other, to remove such objections as soon as practicable by way of adopting the necessary resolutions in the Shareholders' Meeting of the Company and in the special resolutions of the holders of the different classes of Shares so that the purpose and intention of the resolution objected to can be achieved to the maximum permissible extent.

(5) The Shareholders undertake vis-à-vis each other, as from the conclusion of this Agreement and up until the consummation of the increase of the share capital and the amendments to the Articles of Association of the Company under § 2 (1) above have been registered with the Commercial Register, to treat each other, to the extent legally permissible, as if each of the Initial Investors had already acquired the new Series E Preferred Shares to be issued under § 2 (1) (i) above upon subscription and payment of the total issue price of EUR 1.00 per new Series E Preferred Share, respectively, and the amendments to the Articles of Association of the Company had already come into force upon the end of the Shareholders' Meeting under § 2 (1) above. Thus, each of the Shareholders undertakes individually for himself vis-à-vis each of the Initial Investors, as from the subscription of the new Series E Preferred Shares under § 2 (1) (i) above and payment of the total issue price of EUR 1.00 per new Series E Preferred Share, respectively, in particular without limitation to put each of the Initial Investors

internally in such position as they each would be in, if they had acquired the financial rights (*Vermögensrechte*) and, to the extent legally permissible, the administrative rights (*Verwaltungsrechte*) under this Agreement, the Legal Framework, as amended by this Agreement, and the Articles of Association of the Company resulting from the new Series E Preferred Shares to be issued under § 2 (1) (i) above already upon subscription and payment of the total issue price of EUR 1.00 per new Series E Preferred Share, respectively.

§ 3
Non-statutory Financial Agreements First Closing First Tranche

(1) Each of the Initial Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of EUR 1.00 for each new Series E Preferred Share subscribed by him under § 2 (1) (i) above and relating to his new investment of fresh money under § 1 (2) above, additional payments into the capital reserves of the Company (*sonstige Zuzahlungen in die Kapitalrücklagen der Gesellschaft*) pursuant to § 272 (2) No. 4 HGB in the amount as set forth in the following table (without any deductions for bank fees) to the Company's bank account with Deutsche Bank AG, account no.: XXXXXXXXXX, bank sorting code: XXX XXX XX, IBAN: XXXX XXXX XXXX XXXX XXXX XX, BIC/SWIFT: XXXXXXXXXX, ref.: "capital reserves" in accordance with the following provisions.

Initial Investor	Payments into the Capital Reserves First Tranche (EUR)
SGR	896,166
BMI	291,385
OrbiMed Associates	8,853
OrbiMed Private Investments	962,416
LSP	291,385
Novo Nordisk	463,628
Total	**2,913,833**

The additional payments into the capital reserves of the Company under this § 3 (1) shall in each case become due for payment to the Company in one sum within five (5) Business Days after the conclusion of this Agreement.

(2) Each of the Initial Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of EUR 1.00 for each new Series E Preferred Share subscribed by him under § 2 (1) (i) above and relating to the conversion of the principal amount of the Loan paid by him to the Company and any and all interest accrued thereon into equity under § 1 (1) above, and in addition to the additional payments into the capital reserves of the Company set forth in § 3 (1) above, further additional contributions to the capital reserves of the Company (*sonstige Leistungen in die Kapitalrücklagen der Gesellschaft*) pursuant to § 272 (2) No. 4 HGB by way of an assignment to the Company of the principal amount of the Loan paid by him to the Company and any and all interest accrued thereon, within five Business Days after receipt of a notification from the Company in writing, by telefax or e-mail that the consummation of the increase of the share capital under § 2 (1) (i) above has been registered with the Commercial Register. For clarification purposes: The further additional contributions to the capital reserves of the Company under this § 3 (2) shall comprise any and all interest accrued on the Loans up until the effectiveness of the assignment to the Company of the principal amount of the Loans, and not only the interest accrued up until the date of the conclusion of this Agreement.

(3) The Shareholders agree that the obligations of the Initial Investors to render additional payments and contributions to the capital reserves of the Company under this § 3 shall exist only on the basis of a contractual agreement by and between the Initial Investors and the Shareholders and not vis-à-vis the Company; the Company itself is not a party to this § 3 and shall not be entitled to demand the additional payments and contributions under this § 3. The claims under this § 3 shall not be assignable. This § 3 shall not constitute a contract for the benefit of a third party.

§ 4
Second Closing; Share Capital Increase Second Closing First Tranche; Non-statutory Financial Agreements Second Closing First Tranche

(1) The Parties agree that one or more further external investors who are approved by the Lead Investors' Majority (as defined below) (such further external investors undertaking an investment in accordance with the following provisions hereinafter also collectively referred to as the "**External Investors**" and each individually as an "**External Investor**") shall be invited, but not obliged, to participate in the pre-IPO financing of the Company laid down in this Agreement by undertaking an investment in accordance with the provisions of this § 4 (1), and each of them shall be admitted to an investment in the pre-IPO financing of the Company in such amount as approved by the Lead Investors' Majority, at the terms and conditions set forth in this Agreement, the Legal Framework, as amended by this Agreement, and the Articles of Association, as amended under § 2 (1) (ii) above, by joining this Agreement and the Legal Framework, as amended by this Agreement, with the rights and obligations of an External Investor, an Investor, a Lead Investor, a Shareholder and a Party, by written declaration to the Company using the form attached as Annex 4.1 to this Agreement (hereinafter referred to as the "**Joinder**") prior to the Pricing (as defined below) of an IPO of the Company (as defined below) and on or before 31 October 2014, whereby the relevant time shall be the receipt of such declaration by the Company (the investments undertaken under the preceding provisions of this § 4 (1) hereinafter referred to as the "**Second Closing**").

All Parties hereby declare their consent, and hereby offer, to the External Investors to become a party to this Agreement and the Legal Framework, as amended by this Agreement, with the rights and obligations of an External Investor, an Investor, a Lead Investor, a Shareholder and a Party in accordance with the preceding provisions. All Parties, with the exception of the Company, hereby waive the requirement that they are notified of the declarations under this § 4 (1) pursuant to § 151 sentence 1 of the German Civil Code (*Verzicht auf den Zugang der Erklärungen gemäß § 151 Satz 1 BGB*), which shall become effective upon receipt by the Company of such declarations in accordance with the preceding provisions.

The "**Pricing**" of an IPO of the Company shall be the determination of the bookbuilding range for the pricing of the IPO, and the expression "**Priced**" shall be construed accordingly.

An "**IPO of the Company**" shall be a public offering of shares of common stock of the Company or a holding company of the Company on a regulated market.

(2) In case of a Second Closing, the Shareholders shall resolve in an extraordinary Shareholders' Meeting of the Company to be held in the form of a plenary meeting (*Vollversammlung*) as soon as practicable after receipt of the Joinder from an External Investor by the Company to further increase the share capital of the Company in return for cash contributions by the issue of new Series E Preferred Shares in registered form as non-par value shares with a portion of the Company's share capital of EUR 1.00 each and exclusively invite the External Investor(s), to the exclusion of the other Shareholders' statutory subscription rights, to subscribe and to take over the new Series E Preferred Shares as follows: Each of the External Investors shall be invited to subscribe and to take over such number of new Series E Preferred Shares as is equal to the total investment in the pre-IPO financing of the Company to which the respective External Investor shall be admitted in the Second Closing under § 4 (1) above divided by EUR 95.1885 and the result if necessary commercially rounded to the next full

number. The new Series E Preferred Shares shall be issued for the amount of EUR 1.00 per share (issue price). The new Series E Preferred Shares shall have the right to participate in profits as from 1 January 2014. The new Series E Preferred Shares shall have the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (ii) above, and the Legal Framework, as amended by this Agreement.

§ 2 (2) to (5) above shall apply *mutatis mutandis*.

(3) In case of a Second Closing, each of the External Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of EUR 1.00 for each new Series E Preferred Share subscribed by him under § 4 (2) above, additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB in an amount equal to 70.09 % of the total investment in the pre-IPO financing of the Company to which the respective External Investor shall be admitted in the Second Closing under § 4 (1) above less the total issue price of the new Series E Preferred Shares subscribed by him under § 4 (2) above (without any deductions for bank fees) to the Company's bank account set forth in § 3 (1) above, which shall in each case become due for payment to the Company in one sum concurrently with the total issue price of the new Series E Preferred Shares under § 4 (2) above, but by way of a condition precedent only after the passing of the resolutions of the Shareholders' Meeting of the Company under § 4 (2) above.

§ 3 (3) above shall apply *mutatis mutandis*.

§ 5
Adaptation in Case of an IPO of the Company

(1) The Shareholders agree that in case of the Pricing of an IPO of the Company on or before 31 October 2014, the Investors shall be put in such position as they each would be in if they had invested the first and the second tranche of the pre-IPO financing laid

down in this Agreement (including the Loans and interest accrued thereon) against subscription of new Series E Preferred Shares with a discount of 20 % on the share price equal to the lower end of the bookbuilding range for the pricing of the IPO of the Company in accordance with the following provisions.

(2) In case of the Pricing of an IPO of the Company on or before 31 October 2014, the Shareholders shall resolve in favour of an increase of the Company's share capital in an extraordinary Shareholders' Meeting of the Company to be held in the form of a plenary meeting (hereinafter referred to as the "**IPO Adaptation Capital Increase**"). The IPO Adaptation Capital Increase shall be resolved and consummated immediately after the Pricing of the IPO of the Company. The IPO Adaptation Capital Increase shall be an increase of the Company's share capital in return for cash contributions against payment of the amount of EUR 1.00 per share (issue price). As part of the IPO Adaptation Capital Increase, the Investors shall be exclusively invited, to the exclusion of the other Shareholders' statutory subscription rights, to subscribe and to take over new Series E Preferred Shares in each case in such number as is equal to the respective Total Investment (as defined below) divided by the IPO Adaptation Share Price (as defined below), if necessary commercially rounded to the next full number, and the result minus the number of new Series E Preferred Shares subscribed by them under § 2 (1) (i) or § 4 (2) above, respectively. The new Series E Preferred Shares issued under this § 5 (2) shall have the right to participate in profits as from 1 January 2014. The new Series E Preferred Shares shall have the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (ii) above, and the Legal Framework, as amended by this Agreement.

The respective "**Total Investment**" shall be equal to (a) in case of the Initial Investors: the sum of (i) the amount set forth opposite the name of the respective Initial Investor in the column "Total Loan Conversion" in the table in § 1 (1) above and (ii) the amount set forth opposite the name of the respective Initial Investor in the column "Total New Investment" in the table in § 1 (2) above, and (b) in case of the External Investors: the amount of the total investment in the pre-IPO financing of the Company to which the respective External Investor shall be admitted in the Second Closing under § 4 (1) above.

The "**IPO Adaptation Share Price**" shall be equal to the price per share of the Company with a portion of the Company's share capital of EUR 1.00 each equal to the lower end of the bookbuilding range for the pricing of the IPO of the Company multiplied by 0.8.

§ 2 (2) to (5) above shall apply *mutatis mutandis*. In addition, the Company undertakes vis-à-vis the Investors to take all measures and to render all declarations in order to convene the necessary Shareholders' Meetings to implement the IPO Adaptation Capital Increase.

(3) In case of the Pricing of an IPO of the Company on or before 31 October 2014, each of the Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of EUR 1.00 for each new Series E Preferred Share subscribed by him under § 5 (2) above, additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB in an amount equal to (a) in case of the Initial Investors: the amount set forth opposite the name of the respective Initial Investor in the column "New Investment Second Tranche" in the table in § 1 (2) above, and (b) in case of the External Investors: 29.91 % of the total investment in the pre-IPO financing of the Company to which the respective External Investor shall be admitted in the Second Closing under § 4 (1) above, in each case (a) and (b) less the total issue price of the new Series E Preferred Shares subscribed by the respective Investor under § 5 (2) above, if any, (without any deductions for bank fees) to the Company's bank account set forth in § 3 (1) above, which shall in each case become due for payment to the Company in two instalments, whereby the second instalment shall be equal to such amount as would be required as total issue price of EUR 1.00 per share for the further Series E Preferred Shares to be issued to the respective Investor under § 5 (4) in conjunction with § 6 (2) below in case that the IPO of the Company is not closed on or before 31 October 2014, and the first instalment shall be equal to the remaining amount of the additional payments into the capital reserves of the Company under this § 5 (3).

The first instalment of the additional payments into the capital reserves of the Company under this § 5 (3) shall in each case become due for payment to the Company concurrently with the total issue price of the new Series E Preferred Shares under § 5 (2) above, but by way of a condition precedent only after the passing of the resolutions of the Shareholders' Meeting of the Company under § 5 (2) above.

The second instalment of the additional payments into the capital reserves of the Company under this § 5 (3) shall in each case become due for payment to the Company by way of a condition precedent immediately after the closing of the IPO of the Company on or before 31 October 2014, but by way of a further condition precedent not earlier than the first instalment of the additional payments into the capital reserves of the Company under this § 5 (3) pursuant to the preceding paragraph.

§ 3 (3) above shall apply *mutatis mutandis*.

(4) The Shareholders agree that in case that an IPO of the Company is Priced on or before 31 October 2014 and the pre-IPO financing of the Company is adapted pursuant to this § 5, but subsequently it turns out that the IPO of the Company is not closed on or before 31 October 2014, then § 6 below shall apply *mutatis mutandis*.

(5) The Shareholders are aware that a restructuring of the Company may become necessary for the IPO of the Company. As a result of such restructuring, a holding company would hold 100 % of the shares of the Company and the Shareholders would hold shares in that holding Company. The Parties agree that in this case, the adaptation in case of an IPO of the Company shall take place at the level of the holding company applying this § 5 *mutatis mutandis*.

(6) The Shareholders agree that in the event that the IPO Adaptation Share Price is so high that even in case that no new Series E Preferred Shares are issued to the Investors under § 5 (2) above and the full amount set forth in § 5 (3) (a) and (b) above is rendered as additional payments into the capital reserves of the Company under § 5 (3) above, such that the number of new Series E Preferred Shares subscribed by the Investors under § 2 (1) (i) or § 4 (2) above, respectively, is still higher than the number

of new Series E Preferred Shares they shall be entitled to pursuant to § 5 (1) above, then the Shareholders shall do or cause to be done everything necessary or appropriate to implement the principle set forth in § 5 (1) above by any other means, e.g. by applying an adapted exchange ratio in the course of the restructuring under § 5 (5) above or by a redistribution of the new Series E Preferred Shares subscribed by the Investors under § 2 (1) (i) or § 4 (2) above, respectively, among the Shareholders; provided always, that in no event shall the Investors be obliged to render further contributions to the Company in order to implement this.

§ 6
Adaptation on 1 November 2014

(1) The Shareholders agree that in case that the Company has not Priced or closed an IPO of the Company on or before 31 October 2014, the Investors shall be put in such position as they each would be in if they had invested the first and the second tranche of the pre-IPO financing laid down in this Agreement (including the Loans and interest accrued thereon) against subscription of new Series E Preferred Shares at a share price of EUR 30.8861 per share in accordance with the following provisions.

(2) In case that the Company has not Priced or closed an IPO of the Company on or before 31 October 2014, the Shareholders shall resolve in an extraordinary Shareholders' Meeting of the Company to be held in the form of a plenary meeting on 1 November 2014 to further increase the share capital of the Company in return for cash contributions by the issue of new Series E Preferred Shares in registered form as non-par value shares with a portion of the Company's share capital of EUR 1.00 each. The new Series E Preferred Shares shall be issued for the amount of EUR 1.00 per share (issue price). The new Series E Preferred Shares shall have the right to participate in profits as from 1 January 2014. The new Series E Preferred Shares shall have the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (ii) above, and the Legal Framework, as amended by this Agreement. To the exclusion of the statutory subscription rights of the

Shareholders, the Investors shall be exclusively invited to subscribe and to take over the new Series E Preferred Shares under this § 6 (2) as follows:

Each of the Initial Investors shall be invited to subscribe and to take over such number of new Series E Preferred Shares as set forth in the following table:

Initial Investor	Series E Preferred Shares Second Tranche (number)
SGR	96,425
BMI	28,709
OrbiMed Associates	986
OrbiMed Private Investments	94,693
LSP	28,679
Novo Nordisk	37,415
Total	**286,907**

Each of the External Investors shall be invited to subscribe and to take over such number of new Series E Preferred Shares as is equal to the respective Total Investment divided by EUR 30.8861, if necessary commercially rounded to the next full number, and the result minus the number of new Series E Preferred Shares subscribed by them under § 4 (2) above, respectively.

§ 2 (2) to (5) above shall apply *mutatis mutandis*.

(3) In case that the Company has not Priced or closed an IPO of the Company on or before 31 October 2014, each of the Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of EUR 1.00 for each new Series E Preferred Share subscribed by him under § 6 (2) above, additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB (a) in case of the Initial Investors in the amount as set forth in the table below, and (b) in case of the External

Investors in an amount equal to 29.91 % of the total investment in the pre-IPO financing of the Company to which the respective External Investor shall be admitted in the Second Closing under § 4 (1) above less the total issue price of the new Series E Preferred Shares subscribed by the respective External Investor under § 6 (2) above, (in each case without any deductions for bank fees) to the Company's bank account set forth in § 3 (1) above, which shall in each case become due for payment to the Company in one sum concurrently with the total issue price of the new Series E Preferred Shares under § 6 (2) above, but by way of a condition precedent only after the passing of the resolutions of the Shareholders' Meeting of the Company under § 6 (2) above.

Initial Investor	Payments into the Capital Reserves Second Tranche (EUR)
SGR	980,021
BMI	321,293
OrbiMed Associates	9,648
OrbiMed Private Investments	1,061,329
LSP	321,323
Novo Nordisk	519,479
Total	**3,213,093**

§ 3 (3) above shall apply *mutatis mutandis*.

Section II
Applicability of, and Amendments to, the Shareholders' Agreement

§ 7
Applicability of the Shareholders' Agreement

(1) The Parties agree that unless expressly set forth otherwise in this Agreement, the Legal Framework, as amended by this Agreement, shall remain in full force and effect, and shall also apply to the new shares of the Company issued under this Agreement.

(2) Any reference in the Legal Framework to any provision of the Legal Framework shall henceforth refer to such provision of the Legal Framework, as amended by this Agreement.

(3) Any definitions of terms in this Agreement shall also apply in the Legal Framework, as amended by this Agreement.

(4) "**Common Shares**" shall mean all Shares which are not Series A Preferred Shares, Series B Preferred Shares, Series C Preferred Shares, Series D Preferred Shares or Series E Preferred Shares including, for the avoidance of doubt, all Shares which under any provision of the Shareholders' Agreement, as amended by the 1st Amendment and the 2nd Amendment, or the 1st Amendment shall be converted into Common Shares, but excluding all Shares held by AGUTH on 24 September 2012 which shall all be Series D Preferred Shares.

"**Series D Preferred Shares**" shall mean all Shares (i) which are issued under § 2 (1) (i) or § 4 (1) or § 16 of the 1st Amendment or (ii) which result from the conversion under § 2 (1) (ii) of the 1st Amendment or (iii) which were held by AGUTH on 24 September 2012.

"**Series E Preferred Shares**" shall mean all Shares which are issued under § 2 (1) (i) or § 4 (2) or § 5 (2) or § 6 (2) of the 2nd Amendment.

"**Lead Investors' Majority**" shall mean a majority of 70 % of the Series E Preferred Shares and the Series D Preferred Shares held by the Lead Investors voting together as a single class, replacing the corresponding definition in the Definitions of the Shareholders' Agreement, as amended by the 1st Amendment.

§ 8
Equal Treatment of the Shareholders

The first paragraph of section E 1.1 of the Shareholders' Agreement, as amended by § 10 of the 1st Amendment, shall be amended and replaced by the following provisions:

"Except for such preferential rights specifically accorded to the Series E Preferred Shares and/or the Series D Preferred Shares, each Shareholder shall be accorded equal rights, according to his shareholding. Each Share is entitled to one vote."

§ 9
Resolutions requiring Qualified Majority of the Investors; Voting Agreements; Future Financing Agreements

(1) Any reference in section E 1.5 of the Shareholders' Agreement, as amended by § 11 of the 1st Amendment, to the holders of Series D Preferred Shares shall henceforth refer to the holders of Series E Preferred Shares and the holders of Series D Preferred Shares.

(2) The second paragraph of section E 1.5 of the Shareholders' Agreement, as amended by § 11 of the 1st Amendment, shall be amended and replaced by the following provisions:

"The holders of Series E Preferred Shares and the holders of Series D Preferred Shares shall meet immediately prior to any Shareholders' Meeting of the Company if there are any items on the agenda of the Shareholders' Meeting which require their consent as provided hereunder (be it unanimously, majority or by qualified majority decision). They shall cast their votes as to such agenda items applying the rules for voting shares in the Shareholders' Meeting of the Company *mutatis mutandis*. If the motion in question is approved with a Lead Investors' Majority, all Shareholders (including all holders of Series E Preferred Shares and all holders of Series D Preferred Shares) shall be obliged to vote in favour of such motion in the Shareholders' Meeting of the Company

and in the special resolutions or special meetings of the holders of the different classes of Shares, if applicable. If the motion in question is not approved with a Lead Investors' Majority, all Shareholders (including all holders of Series E Preferred Shares and all holders of Series D Preferred Shares) shall be obliged to vote against such motion in the Shareholders' Meeting of the Company and in the special resolutions or special meetings of the holders of the different classes of Shares, if applicable."

(3) § 11 (3) of the 1st Amendment shall be amended and replaced by the following provisions:

"Subject to the following sentence, each of the Shareholders undertakes individually for himself vis-à-vis each other Shareholder, to enter into investment agreements and shareholders' agreements and related agreements (including without limitation amendments to and/or termination of the Shareholders' Agreement, as amended by the 1st Amendment and the 2nd Amendment, and/or the 1st Amendment and/or the 2nd Amendment), to pass resolutions in Shareholders' Meetings of the Company and the special resolutions or special meetings of the holders of the different classes of Shares, and to do or cause to be done everything necessary or appropriate, for further rounds of financing of the Company after the financing laid down in the 2nd Amendment (the "**Future Financing Agreements**"), to the extent that the Lead Investors' Majority agrees to the terms and conditions of the Future Financing Agreements. Notwithstanding the foregoing, Future Financing Agreements may not (i) oblige or commit or otherwise require Shareholders to make further contributions to the Company, or (ii) diminish or adversely affect the rights or preferences of any Shareholder in a manner disproportionately unfavourable to such Shareholder as compared to other Shareholders in that class of shares, without the prior written consent of the Shareholders affected, which consent shall be given in the sole discretion of the Shareholder and shall not be subject to the prior sentence. § 2 (2) to (5) of the 2nd Amendment shall apply *mutatis mutandis*."

§ 10
Conversion of Shares

Any reference in section E 1.9 of the Shareholders' Agreement, as amended by § 12 of the 1st Amendment, to Series D Preferred Shares shall henceforth refer to Series E Preferred Shares and Series D Preferred Shares and any reference to the holders of Series D Preferred Shares shall henceforth refer to the holders of Series E Preferred Shares and the holders of Series D Preferred Shares.

§ 11
Right of First Refusal

Any reference in section F 2 of the Shareholders' Agreement, as amended by § 13 of the 1st Amendment, to the holders of Series D Preferred Shares shall henceforth refer to the holders of Series E Preferred Shares and the holders of Series D Preferred Shares.

§ 12
Co-sale Right

The last line of section F 3.2 of the Shareholders' Agreement, as amended by § 14 of the 1st Amendment, shall be amended and replaced by the following provisions:

"… after the liquidation preference to the holders of Series E Preferred Shares and to the holders of Series D Preferred Shares has been satisfied."

§ 13
Financing in General

The reference in section G 1 of the Shareholders' Agreement, as amended by § 15 of the 1st Amendment, to the holders of Series D Preferred Shares shall henceforth refer to the holders of Series E Preferred Shares and the holders of Series D Preferred Shares.

§ 14
Anti-dilution Protection

(1) If at any time prior to the conversion of the Series E Preferred Shares into Common Shares, but after the increases of the Company's share capital under § 2 (1) (i) above and § 4 (2), if any, § 5 (2) or § 6 (2) above, as the case may be, the Company issues any new Shares or an equivalent thereof at a price per Share that is less than the Original Share Price E (as defined below) (the "**Offering E**"), each holder of Series E Preferred Shares, acting individually, provided that he has fulfilled his investment obligations under §§ 1 to 6 of this Agreement, is irrevocably entitled to a broad-based weighted-average anti-dilution protection by being issued and subscribing to that number of new Series E Preferred Shares at par value without premium, so calculated as if such Shareholder has subscribed his respective Series E Preferred Shares resulting from the increases of the Company's share capital under § 2 (1) (i) or § 4 (2), if any, above and § 5 (2) or § 6 (2) above, as the case may be, according to the following formula:

Revised Subscription Price E = (Outstanding Shares before the Offering E x Original Share Price E + total amount raised in the Offering E) / Outstanding Shares after the Offering E.

The "**Original Share Price E**" shall be (i) in case of an adaptation in case of an IPO of the Company pursuant to § 5 above: the IPO Adaptation Share Price, or (ii) in case of an adaptation on 1 November 2014 pursuant to § 6 above: EUR 30.8861.

The difference between the Original Share Price E and the Revised Subscription Price E shall be multiplied by the total number of Series E Preferred Shares resulting from the increases of the Company's share capital under § 2 (1) (i) or § 4 (2), if any, above and § 5 (2) or § 6 (2) above, as the case may be, held by such Shareholder and divided by the result of the Revised Subscription Price E minus EUR 1.00. The result of this calculation yields the total number of Series E Preferred Shares to which such holder of Series E Preferred Shares may subscribe at par value.

The holders of Series E Preferred Shares shall receive these Shares in conjunction with the capital increase which led to the diluting issuing of Shares. In the event of stock splits, stock dividends, recapitalization and the like, the anti-dilution protection shall be adjusted accordingly.

(2) If at any time prior to the conversion of the Series D Preferred Shares into Common Shares, the Company issues any new Shares or an equivalent thereof at a price per Share that is less than EUR 30.8861, whereby in case of the issuance of Shares under § 5 or § 6 above, always the average share price together with the issuance of Shares under § 2 (1) (i) and § 4 (2), if any, above shall be decisive (the "**Offering D**"), each holder of Series D Preferred Shares, acting individually, is irrevocably entitled to a broad-based weighted-average anti-dilution protection by being issued and subscribing to that number of new Series D Preferred Shares at par value without premium, so calculated as if such Shareholder has subscribed his respective Series D Preferred Shares resulting from the increase of the Company's share capital under § 2 (1) (i) of the 1st Amendment according to the following formula:

Revised Subscription Price D = (Outstanding Shares before the Offering D x EUR 30.8861 + total amount raised in the Offering D) / Outstanding Shares after the Offering D.

The difference between EUR 30.8861 and the Revised Subscription Price D shall be multiplied by the total number of Series D Preferred Shares resulting from the increase of the Company's share capital under § 2 (1) (i) of the 1st Amendment held by such Shareholder and divided by the result of the Revised Subscription Price D minus EUR 1.00. The result of this calculation yields the total number of Series D Preferred Shares to which such holder of Series D Preferred Shares may subscribe at par value.

The holders of Series D Preferred Shares shall receive these Shares in conjunction with the capital increase which led to the diluting issuing of Shares. In the event of stock splits, stock dividends, recapitalization and the like, the anti-dilution protection shall be adjusted accordingly.

(3) § 16 (1) of the 1st Amendment shall be terminated and of no further force and effect.

§ 15
Listing

Any reference in section G 4 of the Shareholders' Agreement, as amended by § 17 of the 1st Amendment, to Series D Preferred Shares shall henceforth refer to Series E Preferred Shares and Series D Preferred Shares.

§ 16
Dividends

Any reference in § 18 (2) of the 1st Amendment to the holders of Series D Preferred Shares shall henceforth refer to the holders of Series E Preferred Shares and the holders of Series D Preferred Shares, any reference to the Series D Investors shall henceforth refer to the Investors and the Series D Investors, and any reference to Series D Preferred Shares shall henceforth refer to Series E Preferred Shares and Series D Preferred Shares.

§ 17
Liquidation Preference

Section H 2 of the Shareholders' Agreement, as amended by § 19 (Liquidation Preference) of the 1st Amendment, shall be amended and replaced by the following provisions:

"In the event of any of the following (each a "**Liquidation Event**" or "**Deemed Liquidation Event**"):

a) a bankruptcy, voluntary or involuntary liquidation, dissolution or winding up of the Company;

b) a (partial) sale (at least 50 %) of the Shares of the Company including the sale triggering a co-sale right as defined in section F 3 of the Shareholders' Agreement, as amended by § 14 of the 1st Amendment and § 12 of the 2nd Amendment, a drag-along as defined in section F 4 of the Shareholders' Agreement;

c) a sale of at least 75 % of all assets (including intellectual property rights) in terms of the Fair Market Value of the Company;

d) a merger, consolidation or acquisition, or any other event involving the Company, pursuant to which the shareholders of the Company will have less than 50.1 % of the voting power of the acquiring company or pursuant to which the Company is not the surviving entity;

e) a reverse take-over;

the proceeds will be allocated among the Shareholders as follows:

(i) First, each of the holders of Series E Preferred Shares shall be entitled to receive, prior to and in preference to all other Shares, an amount equal to 1.33 times (subject to proportional adjustments for stock splits, subdivisions and the like) the paid in total investment (total issue price plus additional payments and contributions to the capital reserves of the Company pursuant to § 272 (2) HGB including, for the avoidance of doubt, the nominal amount of the principal of the Loans assigned to the Company and any and all interest accrued thereon) on his Series E Preferred Shares, in each case plus an amount representing 6 % p.a. IRR on the respective paid in total investment calculated as from and starting with the respective payment thereof to the Company, compounded quarterly in arrears;

If there are insufficient proceeds to pay the liquidation preference amount to the holders of Series E Preferred Shares in full, the amount available will be paid on a pro rata basis between the holders of Series E Preferred Shares in proportion to the maximum amounts the holders of Series E Preferred Shares would be entitled to if the proceeds were sufficient to pay the liquidation preference amount to the holders of Series E Preferred Shares in full;

(ii) thereafter, each of the holders of Series D Preferred Shares shall be entitled to receive, prior to and in preference to the Common Shares, an amount equal to 1.33 times (subject to proportional adjustments for stock splits, subdivisions and the like) the paid in total investment (total issue price plus additional payments and contributions to the capital reserves of the Company pursuant to § 272 (2) HGB including, for the avoidance of doubt, the nominal amount of the principal of the loans assigned to the Company and any and all interests accrued thereon) on his Series D Preferred Shares (including on Shares which were converted into or are deemed to be Series D Preferred Shares), in each case plus an amount representing 6 % p.a. IRR on the respective paid in total investment calculated as from and starting with the respective payment thereof to the Company, compounded quarterly in arrears, provided that with respect to the paid in total investment on the former Series A Preferred Shares such IRR shall be calculated only as from and starting with 27 March 2007;

If the proceeds remaining after payment of the liquidation preference amount to the holders of Series E Preferred Shares pursuant to (i) above in full are insufficient to pay the liquidation preference amount to the holders of Series D Preferred Shares in full, the proceeds remaining after payment of the liquidation preference amount to the holders of Series E Preferred Shares pursuant to (i) above in full will be paid on a pro rata basis between the holders of Series D Preferred Shares in proportion to the maximum amounts the holders of Series D Preferred Shares would be entitled to if the proceeds remaining after payment of the liquidation preference amount to the holders of Series E Preferred Shares pursuant to (i) above in full were sufficient to pay the liquidation preference amount to the holders of Series D Preferred Shares in full; and

(iii) thereafter, the holders of Series E Preferred Shares and the holders of Series D Preferred Shares shall receive any remaining funds on a *pari passu* basis with the holders of Common Shares on an as-if converted basis.

The total investment amount for former Series A Preferred Shares and Series B Preferred Shares issued to former silent partners (in the meaning of § 230 HGB) to be considered as a basis for the above liquidation preference and IRR shall be limited to EUR 500,000.00 each.

In the event the return of capital to tbg out of the converted share position (Part D.4 of the Series B Investment Agreement) shall be less than EUR 1,750,000.00 for tbg, tbg will receive a minimum return. The minimum return is defined as the return tbg would receive if tbg would have invested the amount of EUR 1,750,000.00 in Series B Preferred Shares up to a maximum return of EUR 1,750,000.00. The risk of fulfilling this downside protection shall be borne by the Series B investors on a pro rata basis and covers the difference between the calculated actual returns for tbg based upon its converted share position (Part D.4 of the Series B Investment Agreement) and the minimum return. Annex 7 to the Shareholders' Agreement contains an exemplary calculation.

The holders of Series E Preferred Shares and the holders of Series D Preferred Shares are entitled to the same preference with respect to sale proceeds in case of a sale of Shares in the course of a single or a partial sales transaction or a series of related transactions (in particular as a result of the exercise of co-sale rights, drag along rights and rights of first refusal as described in the Shareholders' Agreement, as amended by the 1st Amendment and the 2nd Amendment) or in case of a transformation of the Company except for conversions of the Company's legal form of organization."

§ 18
KfW Participation Principles

The "*Beteiligungsgrundsätze zur Durchführung des ERP-Startfonds – Stand: 01/2011*" attached as Annex 18 to this Agreement (the "**KfW Participation Principles**") are the basis for the participation of KfW in the Company. The Company hereby undertakes vis-à-vis KfW to adhere to the KfW Participation Principles. The KfW Participation Principles shall form an integral part of this Agreement, shall supplement this Agreement and shall prevail over this Agreement in case of doubts. Notwithstanding the termination of this Agreement or the Legal Framework, the KfW Participation Principles shall remain in force and shall be binding between the Parties as long as KfW holds shares in the Company. The provisions of this § 18 can only be amended, waived or deleted with the consent of KfW.

Section III
Miscellaneous

§ 19
Other Agreements

(1) § 2 of the convertible bridge loan agreement dated 21 June 2013 shall be terminated and of no further force and effect.

(2) The Loan Agreement shall terminate and be of no further force and effect upon the effectiveness of the assignment to the Company of the principal amount of the Loan paid by the respective Initial Investor to the Company and any and all interest accrued thereon in accordance with § 3 (2) above.

(3) This Agreement shall become legally binding and effective as soon as it has been signed by all Parties (not necessarily on the same page) and the Company has received the originals of the signed signature pages of all Parties. The Parties agree that the signing of the signature page to this Agreement and the delivery of the originals of the signed signature pages to the Company shall be sufficient for purposes of entering into this Agreement, and each of the Parties other than the Company waives the requirement of receipt of the respective signed signature pages of the other Parties pursuant to § 151 sentence 1 BGB. The Company shall provide each Party with a pdf copy of all signed signature pages.

§ 20
Final Provisions

Notwithstanding the provisions on anti-dilution protection under § 14 above, section J of the Shareholders' Agreement shall apply *mutatis mutandis* to this Agreement.

St. Peter-Ording, June 19, 2014	/s/ Melvyn Little
(Place, Date)	(Prof. Dr. Melvyn Little)
	/s/ Otmar D. Wiestler and Josef Puchta
(Place, Date)	(Deutsches Krebsforschungszentrum)
Heidelberg, June 24, 2014	/s/Klaus Tschira
(Place, Date)	(AGUTH Holding GmbH)
Bonn, June 24, 2014	/s/ Carsten Gellermann and Sieglinde Zolper
(Place, Date)	(KfW)
Bonn, June 24, 2014	/s/ Robert Schloesser and Gerd-Henner Rupp
(Place, Date)	(tbg Technologie-Beteiligungs-Gesellschaft mbH)
Pfaffikon, June 23, 2014	/s/ Uwe Feuersenger and Sonja Frech
(Place, Date)	(SGR Sagittarius Holding AG)
Guernsey, June 19, 2014	/s/ Kevin Gilligan
(Place, Date)	(BioMed Invest I Ltd.)
	/s/ Carl Gordon
(Place, Date)	(OrbiMed Associates III, LP)
	/s/ Carl Gordon
(Place, Date)	(OrbiMed Private Investments III, LP)
Amsterdam, June 23, 2014	/s/ Martjin Kleijwegt and R.R. Kuijten
(Place, Date)	(LSP III Omni Investment Coöperatief U.A.)

	/s/ Lars Fruergaard Jørgensen
(Place, Date)	(Novo Nordisk A/S)
Heidelberg, June 24, 2014	/s/ Adi Hoess and Florian Fischer
(Place, Date)	(Affimed Therapeutics AG, Management Board)
Kuessnacht, June 20, 2014	/s/ Thomas Hecht
(Place, Date)	(Affimed Therapeutics AG, Supervisory Board)

Table of Annexes to the Investment Agreement Pre-IPO Financing Affimed Therapeutics AG, Heidelberg, Germany

Annex 2.1(ii)	Amendments to the Articles of Association
Annex 4.1	Joinder
Annex 18	KfW Participation Principles

Exhibit 10.14

Convertible Bridge Loan Agreement

by and between

1. Prof. Dr. Melvyn Little, Immenseeweg 17, 25826 St. Peter-Ording, Germany
2. Deutsches Krebsforschungszentrum, Im Neuenheimer Feld 280, 69120 Heidelberg, Germany
3. AGUTH Holding GmbH, Schloß-Wolfsbrunnenweg 33, 69118 Heidelberg, Germany
4. KfW, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany
5. tbg Technologie-Beteiligungs-Gesellschaft mbH, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany
6. SGR Sagittarius Holding AG, Poststrasse 30, 6301 Zug, Switzerland
7. BioMed Invest I Ltd., Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey, GY1 2QE, Channel Islands
8. OrbiMed Associates III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA
9. Caduceus Private Investments III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA
10. LSP III Omni Investment Coöperatief U.A., Johannes Vermeerplein 9, 1071 DV Amsterdam, The Netherlands
11. Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark
12. Affimed Therapeutics AG, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany.

The parties named under 1. to 11. above are hereinafter also collectively referred to as the "**Shareholders**" and each individually as a "**Shareholder**". The parties named under 6. to 11. above are hereinafter also collectively referred to as the "**Lenders**" and each individually as a "**Lender**". The parties named under 1. to 12. above are hereinafter also collectively referred to as the "**Parties**" and each individually as a "**Party**".

Preamble

The Shareholders are the sole shareholders of Affimed Therapeutics AG with its registered seat in Heidelberg, Germany, registered with the Commercial Register of the Mannheim Local Court under no. HRB 336536 (hereinafter also referred to as the "**Company**").

On 24 September 2012, the Company closed a series D round of financing. To this end, the Shareholders and the Company entered into that certain "Investment Agreement Series D Round of Financing Affimed Therapeutics AG, Heidelberg, Germany dated 24 September 2012" (hereinafter referred to as the "**Investment Agreement**"). Capitalized terms used but not defined in this "Convertible Bridge Loan Agreement" (hereinafter referred to as "**this Agreement**") shall have the same meaning as given to them in any definitions in the Investment Agreement.

The Company is currently in the process of evaluating various options for the further financing of the Company, including, without limitation, a series E round of financing. In order to cover the financing needs of the Company until the completion of such further financing, the Lenders are prepared to grant a loan to the Company in the total principal amount of EUR 5,100,000.00, which shall be convertible into shares of the Company in accordance with the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, the Parties hereby enter into this Agreement.

§ 1
Loans

(1) Immediately after the conclusion of this Agreement, the Company on the one hand and the Lenders on the other hand will enter into the loan agreement attached as Annex 1.1 to this Agreement (hereinafter referred to as the "**Loan Agreement**"), according to which the Lenders grant a loan to the Company in the total principal amount of EUR 5,100,000.00 (hereinafter collectively referred to as the "**Loans**" and the loan granted by the respective Lender individually as a "**Loan**").

(2) Each of the Shareholders irrevocably consents to the granting of the Loans and irrevocably waives any subscription rights he might have with respect to the granting of the Loans; each of such waivers is accepted by each of the other Parties.

§ 2
Conversion of the Loans

(1) The Lenders and the Shareholders agree that in case of the Closing (as defined below) of the Series E Financing Round (as defined below) on or prior to the Maturity Date (as defined in § 3 (1) of the Loan Agreement), the principal of the Loans granted by all Lenders and paid to the Company and any and all interest accrued thereon shall be converted into shares of the Company in accordance with the following provisions (hereinafter referred to as the "**Series E Conversion**").

The Lenders and the Shareholders further agree that in case of the Closing of an Exit (as defined below) on or prior to the Maturity Date and prior to the Closing of the Series E Financing Round, or in case that the Series E Financing Round has not been Closed (as defined below) on or prior to the Maturity Date, the principal of the Loans granted by all Lenders and paid to the Company and any and all interest accrued thereon shall be converted into shares of the Company at the terms and conditions of the series D round of financing in accordance with the following provisions (hereinafter referred to as the "**Series D Conversion**").

The "**Series E Financing Round**" shall be the next issuance (or series of related issuances) by the Company of equity securities after the date of the conclusion of this Agreement from which the Company receives – if applicable including any proceeds resulting from any debt financing, soft loans, grants, awards or the like received or to be received in connection with such issuance of equity securities – gross proceeds (also in tranches and/or dependent upon the fulfilment of milestones) of not less than EUR 8,000,000.00 (including, for the avoidance of doubt, the principal of the Loans and any accrued interest under the Loan Agreement).

An "**Exit**" shall be (i) the sale of 50 % or more of all shares of the Company in a single transaction or in a series of related transactions, (ii) the disposal of in aggregate 75 % or more of the tangible and intangible assets of the Company (calculated at fair market values and irrespective of whether such assets may be shown in the Company's financial statements under applicable generally accepted accounting principles), (iii) a share swap, contribution, merger or other transformation within the meaning of § 1 of the German Act on Transformations of Companies (*Umwandlungsgesetz*) other than a conversion (*formwechselnde Umwandlung*), when as a consequence of the mentioned transactions the shareholders of the Company will have less than 50.1 % of the voting power of the acquiring company or pursuant to which the Company is not the surviving entity, (iv) a reverse take-over, or (v) the direct or indirect (via a holding company) listing of the Company and/or the Company's shares or a secondary offering of the Company's shares on a stock exchange.

The "**Closing**" shall be the signing of a binding agreement providing for the obligation to consummate the Series E Financing Round or an Exit, as the case may be, and the expression "**Closed**" shall be construed accordingly.

(2) In case of a Series E Conversion, the principal of the Loan granted by the respective Lender and paid to the Company and any and all interest accrued thereon shall be converted into the most senior class and series of shares of the Company which is issued in the Series E Financing Round and shall bear the same rights, preferences and privileges under the investment agreement, shareholders' agreement, Articles of Association of the Company and related agreements pertaining to the Series E Financing Round as the most senior class and series of shares of the Company which is issued in the Series E Financing Round.

(3) The total number of shares of the Company with a portion of the Company's share capital (*anteiliger Betrag des Grundkapitals*) of EUR 1.00 each to be issued to the respective Lender upon a Series E Conversion shall be equal to the Conversion Amount (as defined below) divided by the Conversion Price (as defined below), if necessary commercially rounded to the next full number.

The "**Conversion Amount**" shall be equal to (a) in case of a Conversion in Kind (as defined below) the sum of the face value (i.e. irrespective of the actual value at the time of Conversion) of the principal of the Loan granted by the respective Lender and paid to the Company and any and all interest accrued thereon up until the date of the Conversion Capital Increase (as defined below) (the principal and all such interest hereinafter collectively referred to as the "**Converted Loan**"), and (b) in case of a Conversion in Cash (as defined below) the Converted Loan plus the total issue price of the shares of the Company to be issued to the respective Lender in the Conversion Capital Increase.

The "**Conversion Price**" shall be equal to the issue price per share of the Company with a portion of the Company's share capital of EUR 1.00 (including contributions to the capital reserves of the Company pursuant to § 272 (2) German Commercial Code (*HGB*)) of the most senior class and series of shares of the Company which is issued in the Series E Financing Round.

(4) In case of a Series E Conversion, the Shareholders shall resolve in favour of an increase of the Company's share capital in an extraordinary Shareholders' Meeting of the Company to be held in the form of a general meeting (*Vollversammlung*) (hereinafter referred to as the "**Conversion Capital Increase**"). The Conversion Capital Increase shall be resolved and consummated immediately prior to or concurrently with the resolution and consummation of the Series E Financing Round. The Conversion Capital Increase shall be an increase of the Company's share capital in return for cash contributions against payment of the portion of the Company's share capital attributable to the individual share without premium (hereinafter referred to as the "**Conversion in Cash**") or, if the legal requirements for a contribution in kind of the principal of the Loan granted by the respective Lender and paid to the Company and any and all interest accrued thereon at a contribution value equal to the portion of the Company's share capital attributable to the individual share without premium are fulfilled, in particular an external auditor certifies that such claims are of good value (*werthaltig*) (hereinafter referred to as the "**Conversion in Kind**"), then the Conversion Capital Increase shall be such increase of the Company's share capital in return for such contribution in kind.

As part of the Conversion Capital Increase, the respective Lender or Lenders, as the case may be, shall be invited, to the exclusion of the other Shareholders' subscription rights, to subscribe to the total number of shares of the Company calculated in accordance with § 2 (3) above of the class and series as set forth in § 2 (2) above.

The Shareholders are in agreement that no rights to anti-dilution protection under § 16 of the Investment Agreement shall apply with respect to any Conversion Capital Increase, provided that rights to anti-dilution protection under these provisions shall remain unaffected with respect to the Series E Financing Round.

(5) Each of the Shareholders undertakes individually for himself vis-à-vis each Lender, to do or cause to be done everything necessary or appropriate for the implementation of the measures agreed in § 2 (1) - (4) above.

Thus, each of the Shareholders undertakes individually for himself vis-à-vis each Lender, in particular without limitation to participate in the extraordinary Shareholders' Meetings of the Company as set forth in § 2 (4) above, to exercise their voting rights and other rights in such Shareholders' Meetings and in the special resolutions and/or special meetings of the holders of the particular classes of shares of the Company in favour of the measures agreed in § 2 (1) - (4) above and to waive the subscription rights to which they are entitled for the subscription to new shares.

Further, each of the Shareholders undertakes individually for himself vis-à-vis each Lender, to omit any and all actions which could prevent or make the implementation of the measures agreed in § 2 (1) - (4) above more difficult as well as to waive any and all rights to raise objections to, and to challenge, the resolutions of the extraordinary Shareholders' Meeting of the Company under § 2 (4) above.

(6) In case of a Series E Conversion each of the Lenders undertakes individually for himself vis-à-vis each Shareholder, but not vis-à-vis the Company, to subscribe and to take over the shares of the Company to be issued to the respective Lender in the Conversion Capital Increase immediately after the end of the extraordinary Shareholders' Meeting of the Company under § 2 (4) above, and (i) in case of a Conversion in Cash to pay in

full and in cash the total issue price within 15 bank working days in Frankfurt am Main, Germany after subscription to a special account for the increase of the share capital to be named by the Company, and (ii) in case of a Conversion in Kind to contribute the sum of the principal of the Loan granted by the respective Lender and paid to the Company and any and all interest accrued thereon to the Company as consideration for the shares of the Company to be issued to the respective Lender in the Conversion Capital Increase immediately after the end of the extraordinary Shareholders' Meeting of the Company under § 2 (4) above.

(7) In case of a Conversion in Cash, the respective Lender undertakes individually for himself vis-à-vis each Shareholder, but not vis-à-vis the Company, to render, in addition to the total issue price of the shares of the Company subscribed by the respective Lender under § 2 (4) above, further contributions to the capital reserves of the Company within the meaning of § 272 (2) No. 4 HGB (*sonstige Leistungen in die Kapitalrücklagen gemäß § 272 Abs. 2 Nr. 4 HGB*) by contributing and assigning to the Company the claims for (re)payment of the principal of the Loan granted by the respective Lender and paid to the Company and any and all interest accrued thereon up until the effectiveness of this contribution and assignment to the Company without undue delay after the registration of the consummation of the corresponding Conversion Capital Increase with the Commercial Register of the Company or such other date as agreed upon by the Lenders and the Shareholders.

(8) Subject to § 2 (9) below, the Shareholders agree that upon conclusion of this Agreement and the Loan Agreement, the rights and obligations of the Shareholders with respect to the second tranche of the series D round of financing laid down in the Investment Agreement shall be terminated and of no further force and effect; in particular, without limitation, there shall be no further obligation of the Shareholders to resolve a further increase of the share capital of the Company for the second tranche of the series D round of financing under § 4 of the Investment Agreement, no further right and obligation of the Lenders and Deutsches Krebsforschungszentrum to subscribe and to take over new shares out of the second tranche of the series D round of financing under § 4 of the Investment Agreement and no further obligation of the Lenders and Deutsches Krebsforschungszentrum to pay the total issue price for the new shares to be

subscribed by them, respectively, out of the second tranche of the series D round of financing under § 4 (2) in conjunction with § 2 (3) of the Investment Agreement, and no further obligation of the Lenders and Deutsches Krebsforschungszentrum to render the further additional payments into the capital reserves of the Company under § 5 (2) of the Investment Agreement.

(9) In case of a Series D Conversion, the Shareholders agree that immediately prior to the consummation of the Exit or without undue delay (*unverzüglich*) after the Maturity Date, as the case may be, the second tranche of the series D round of financing laid down in the Investment Agreement shall be resolved and consummated in accordance with § 4 and § 5 (2) and (4) and § 6 of the Investment Agreement, in particular, without limitation, the Shareholders shall resolve in an extraordinary Shareholders' Meeting of the Company to be held in the form of a plenary meeting to further increase the share capital of the Company for the second tranche of the series D round of financing as set forth in § 4 of the Investment Agreement, the Lenders and Deutsches Krebsforschungszentrum shall be entitled and obliged to subscribe and to take over new Series D Preferred Shares in registered form as non-par value shares with a portion of the Company's share capital of EUR 1.00 each as set forth in § 4 of the Investment Agreement and shall be obliged to pay in full and in cash the total issue price of EUR 1.00 per new Series D Preferred Share subscribed by them, respectively, as set forth in § 4 (2) in conjunction with § 2 (3) of the Investment Agreement, and the Lenders and Deutsches Krebsforschungszentrum shall be obliged to render the further additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB as set forth in § 5 (2) of the Investment Agreement; provided, however, that (i) the respective Lender undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render, in addition to the total issue price of the shares of the Company subscribed by the respective Lender under § 4 of the Investment Agreement, and in addition to the further additional payments into the capital reserves of the Company set forth in § 5 (2) of the Investment Agreement, as amended under (ii) below, further additional contributions to the capital reserves of the Company within the meaning of § 272 (2) No. 4 HGB (*sonstige Leistungen in die Kapitalrücklagen der Gesellschaft gemäß § 272 Abs. 2 Nr. 4 HGB*) by contributing and assigning to the Company the claims for (re)payment of the principal

of the Loan granted by the respective Lender and paid to the Company and any and all interest accrued thereon up until the effectiveness of this contribution and assignment to the Company within five bank working days in Frankfurt am Main, Germany after receipt of a notification from the Company in writing, by telefax or e-mail that the consummation of the increase of the share capital under § 4 of the Investment Agreement has been registered with the Commercial Register or such other date as agreed upon by the Lenders and the Shareholders, and (ii) the amount of the further additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB to be rendered by the Lenders under § 5 (2) of the Investment Agreement shall in each case be reduced by the principal of the Loan granted by the respective Lender and paid to the Company and any and all interest accrued thereon up until the date of the respective subscription of new Series D Preferred Shares under § 4 of the Investment Agreement. For clarification purposes: The Shareholders are in agreement that the Milestone shall be considered to have been achieved pursuant to § 3 (3) of the Investment Agreement, so that in case of a Series D Conversion, no further conditions have to be fulfilled for the consummation of the second tranche of the series D round of financing laid down in the Investment Agreement.

(10) The Shareholders and the Lenders agree that the obligations of the Shareholders and the Lenders under this § 2 shall exist only on the basis of a contractual agreement by and between the Shareholders and the Lenders and not vis-à-vis the Company. The Company itself shall not be a party to this § 2 and shall not be entitled to demand the performance of any of the obligations under this § 2. The claims under this § 2 shall not be assignable. This § 2 shall not constitute an agreement in favour of third parties (*kein Vertrag zugunsten Dritter*).

§ 3
Transfer of Rights and Obligations

(1) Each of the Lenders shall be entitled to transfer his rights and obligations as a Lender under this Agreement together with his rights and obligations under the Loan Agreement, if applicable pro rata to the principal amount of the Loan transferred, without

requiring the consent of any of the Lenders, Shareholders or the Company, provided that such transfer of the Loan in whole or in part occurs in accordance with the provisions of the Loan Agreement.

(2) In case of a transfer of shares of the Company, the transferring Shareholder shall be entitled and obliged to transfer his rights and obligations as a Shareholder under this Agreement together with the shares of the Company, without requiring the consent of any of the Lenders, Shareholders or the Company, provided that such transfer of shares of the Company occurs in accordance with the provisions of the Articles of Association of the Company and the Investment Agreement.

(3) The Parties agree that each future shareholder of the Company must become a party to this Agreement prior to or concurrently with the acquisition of shares of the Company with the rights and obligations of a Shareholder.

(4) All Parties hereby declare their consent, and hereby offer, to an acquirer of a Loan in whole or in part or of shares of the Company under § 3 (1) - (3) above to become a party to this Agreement and, if applicable, to the transferor to cease to be a party to this Agreement, in each case provided that such acquisition and, if applicable, transfer occurs in accordance with the provisions of § 3 (1) - (3) above. Each of the Parties, with the exception of the Company, waives the requirement that they are notified of such accession and, if applicable, leaving pursuant to § 151 sentence 1 German Civil Code (*Verzicht auf den Zugang der Beitritts- und ggf. Austrittserklärung gemäß § 151 Satz 1 BGB*), which shall become effective upon receipt by the Company of a corresponding instrument duly executed by the acquirer and, if applicable, the transferor.

§ 4
Final Provisions

(1) The terms and conditions of this Agreement shall apply to all shares of the Company held by the Shareholders currently or in the future.

(2) The Lenders shall be entitled to the rights under this Agreement to the exclusion of any joint entitlement, i.e. in such a way that each of the Lenders may each individually exercise the rights to which they are entitled, unless expressly set forth otherwise in this Agreement. Any joint and several liability (*gesamtschuldnerische Haftung*) of the Lenders shall be excluded.

(3) This Agreement shall become legally binding and effective as soon as it has been signed by all Parties (not necessarily on the same page). The Parties agree that the signing of the signature page to this Agreement and the delivery of the original of the signed signature pages to the Company shall be sufficient for purposes of entering into this Agreement, and each of the Parties other than the Company waives the requirement of receipt of the respective signed signature pages of the other Parties.

(4) Amendments and additions to this Agreement must be made in writing in order to be effective. This shall also apply to a waiver of the written form requirement as well as to a waiver of any right or claim under this Agreement.

(5) Should individual terms of this Agreement be or become invalid or unenforceable or if this Agreement contains gaps, this shall not affect the validity of the remaining terms of this Agreement. In place of the invalid, unenforceable or missing term, such valid term which the Parties would reasonably have agreed, had they been aware at the conclusion of this Agreement that the relevant term was invalid, unenforceable or missing, shall be deemed to have been agreed. Should a term of this Agreement be or become invalid because of the scope or time of performance for which it provides, then the agreed scope or time of performance shall be amended to correspond with the extent legally permitted.

(6) This Agreement shall be governed by the laws of the Federal Republic of Germany without regard to the conflicts of laws provisions thereof. To the extent that such an agreement is legally valid, the courts of Heidelberg, Germany shall have non-exclusive jurisdiction over this Agreement.

St. Peter-Ording, May 13, 2013	/s/ Melvyn Little
(Place/Date)	(Prof. Dr. Melvyn Little)
Heidelberg, May 23, 2013	/s/ Otmar D. Wiestler and Josef Puchta
(Place/Date)	(Deutsches Krebsforschungszentrum)
Heidelberg, May 17, 2013	/s/ Klaus Tschira
(Place/Date)	(AGUTH Holding GmbH)
Bonn, June 12, 2013	/s/Gerd-Henner Rupp and Corinna Monschein
(Place/Date)	(KfW)
Bonn, June 12, 2013	/s/ Brigitte Reischl and Robert Schloesser
(Place/Date)	(tbg Technologie-Beteiligungs-Gesellschaft mbH)
Zug, May 21, 2013	/s/ Klaus Tschira
(Place/Date)	(SGR Sagittarius Holding AG)
Guernsey, May 7, 2013	/s/ Kevin Gilligan
(Place/Date)	(BioMed Invest I Ltd.)
New York, May 17, 2013	/s/ Michael Sheffery
(Place/Date)	(OrbiMed Associates III, LP)
New York, May 17, 2013	/s/ Michael Sheffery
(Place/Date)	(Caduceus Private Investments III, LP)
Amsterdam, May 28, 2013	/s/ Mark Wegter and Martjin Kleijwegt
(Place/Date)	(LSP III Omni Investment Coöperatief U.A.)
Copenhagen, June 4, 2013	/s/ Lars Fruergaard Jørgensen
(Place/Date)	(Novo Nordisk A/S)
Heidelberg, June 4, 2013	/s/ Adi Hoess and Florian Fischer
(Place/Date)	(Affimed Therapeutics AG, Management Board)

Kuessnacht, June 21, 2013	/s/ Thomas Hecht
(Place/Date)	(Affimed Therapeutics AG, Supervisory Board)

Annex1.1: Loan Agreement

Annex 1.1

Loan Agreement

by and between

1. SGR Sagittarius Holding AG, Poststrasse 30, 6301 Zug, Switzerland

- hereinafter referred to as "**SGR**" -

2. BioMed Invest I Ltd., Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey, GY1 2QE, Channel Islands

- hereinafter referred to as "**BMI**" -

3. OrbiMed Associates III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA

- hereinafter referred to as "**OrbiMed**" -

4. Caduceus Private Investments III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA

- hereinafter referred to as "**Caduceus**" -

5. LSP III Omni Investment Coöperatief U.A., Johannes Vermeerplein 9, 1071 DV Amsterdam, The Netherlands

- hereinafter referred to as "**LSP**" -

6. Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark

- hereinafter referred to as "**Novo Nordisk**" -

7. Affimed Therapeutics AG, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany

- hereinafter referred to as "**the Company**" -

The parties named under 1. to 6. above are hereinafter also collectively referred to as the "**Lenders**" and each individually as a "**Lender**". The parties named under 1. to 7. above are hereinafter also collectively referred to as the "**Parties**" and each individually as a "**Party**".

§ 1
Loan

The Lenders hereby grant a loan to the Company pursuant to the following provisions.

§ 2
Amount and Draw Down

(3) The principal amount of the loan granted by the Lenders to the Company is in total EUR 5,100,000.00. The loan shall be payable in cash and shall become due for payment to the Company in one sum within five (5) bank working days in Frankfurt am Main, Germany (hereinafter referred to as "**Bank Working Days**") after this Loan Agreement has become effective pursuant to § 12 (4) and (5) below. The Lenders are participating in the provision of the loan as follows:

Lender	Loan	Participation (% rounded)
BMI	510,002.34	10.00%
Caduceus	1,679,482.32	32.03%
OrbiMed	20,502.13	0.40%
LSP	510,002.34	10.00%
Sagittarius	1,933,420.21	37.91%
Novo Nordisk	446,590.66	8.76%
Total	**5,100,000.00**	**100.00**

(4) All payments to be made to the Company under this Loan Agreement shall exclusively be made by the Lenders by bank wire transfer to the bank account of the Company set forth in Annex 2.2 to this Loan Agreement.

(5) The liability of each of the Lenders for the payment of the loan is limited to the individual participation of each Lender in the loan as stated in the table in § 2 (1) above under the exclusion of any joint and several liability of the Lenders. The claims for repayment of the loan and for interest are owing to the Lenders in the amount of their respective actual individual participation in the loan and under the exclusion of any joint ownership or partnership.

§ 3
Repayment

(1) The principal of the loan shall be repaid to the Lenders in one sum on 31 July 2014 or such later date as agreed between the Company and the Lenders (hereinafter referred to as the "**Maturity Date**"). Repayment shall be made directly to the individual Lenders.

(2) Extraordinary repayments of the principal of the loan in amounts of EUR 500,000.00 or a multiple thereof are possible at any time with a notice period of one month. They must be made directly to the individual Lenders in proportion to their respective actual individual participation in the loan. No penalty interest shall be charged for extraordinary repayments. Prematurely repaid amounts cannot be re-borrowed.

§ 4
Interest

(1) For the granting of the loan the Lenders shall receive 2 % p.a. interest on the amount of the loan paid to the Company for the period of time as from the receipt of the respective principal of the loan by the Company up until the date of repayment of the respective principal of the loan to the respective Lender, computed on the basis of the actual number of days elapsed over a 365-day period. The interest shall be payable by bank wire transfer to the Lenders together with the repayment of the principal of the loan under § 3 above. Payment of interest shall be made irrespective of whether or not the Company makes any profits and what amount of profit it makes.

(2) Each of the Lenders shall have the right to charge to the Company value added tax on interest, if required to do so under applicable tax laws.

§ 5
Default Interest

If repayment of the principal of the loan pursuant to § 3 is delayed, the rate of interest shall be increased for the duration of the payment delay to 8 % p.a.

§ 6
Transfer of Lenders' Rights

Each of the Lenders has the right to transfer, without the consent of the Company or of the respective other Lenders, his rights and obligations under this Loan Agreement in whole or in part to (i) any other Lender, (ii) any other shareholder of the Company (so long as they are shareholders of the Company prior to such transfer), (iii) other persons, entities or firms (whether corporate or otherwise) which are in each case affiliated with the transferring Lender within the meaning of §§ 15 *et seq.* German Stock Corporation Act (*AktG*), (iv) other persons, entities or firms managed by the same person, entity or firm as such Lender, or (v) one or several persons, entities or firms controlling jointly such Lender. The preceding provisions shall not apply to a transfer to a portfolio company of the respective Lender.

Otherwise, transfers of rights and obligations under this Loan Agreement require the consent of the Company which shall not unreasonably be withheld or delayed.

§ 7
Extraordinary Termination

(1) Irrespective of the provisions of § 3 above, the loan can be terminated by the Lenders and the Company for cause at any time by written notice to the other Parties and without respecting a notice period.

(2) In particular, without limitation, the following events shall be deemed a cause justifying extraordinary termination by the Majority of Lenders (as defined below) acting jointly:

(a) The voluntary or involuntary liquidation, dissolution or winding up of the Company;

(b) the opening of insolvency proceedings over the assets of the Company or the denial of the opening of such proceedings because of a lack of assets;

(c) the non-payment of interest owing under § 4 above, provided that at least one Lender has not less than two weeks before notice of termination is given, reminded the Company of the payment of the overdue interest amount and simultaneously threatened to give notice of termination for cause;

(d) any other material breach of the Company's obligations under this Loan Agreement;

(e) the consummation of an Exit (as defined below).

An "**Exit**" shall be (i) the sale of 50 % or more of all shares of the Company in a single transaction or in a series of related transactions, (ii) the disposal of in aggregate 75 % or more of the tangible and intangible assets of the Company (calculated at fair market values and irrespective of whether such assets may be shown in the Company's financial statements under applicable generally accepted accounting principles), (iii) a share swap, contribution, merger or other transformation within the meaning of § 1 of the German Act on Transformations of Companies (*Umwandlungsgesetz*) other than a conversion (*formwechselnde Umwandlung*), when as a consequence of the mentioned transactions the shareholders of the Company will have less than 50.1 % of the voting power of the acquiring company or pursuant to which the Company is not the surviving entity, (iv) a reverse take-over, or (v) the direct or indirect (via a holding company) listing of the Company and/or the Company's shares or a secondary offering of the Company's shares on a stock exchange.

Termination rights under this § 7 (2) may be exercised by the Majority of Lenders acting jointly, but not by individual Lenders, unless mandatory statutory provisions provide otherwise. If the Majority of Lenders gives notice of termination, the loan shall become repayable in total to all Lenders.

The "**Majority of Lenders**" shall be Lenders individually or collectively holding 70 % or more of the total principal amount of the loan granted by the Lenders to the Company under this Loan Agreement.

§ 8
Repayment in the Event of Termination

(1) When notice of termination is given with respect to the loan or when this Loan Agreement is otherwise terminated, the principal of the loan is, to the extent that it has not yet been repaid pursuant to § 3 above, repayable plus all unpaid interest for the period of time until it is effectively repaid to the Lenders.

(2) If repayment is made after notice was given or this Loan Agreement was terminated during an ongoing calendar year, the Lenders shall receive proportionate interest pursuant to § 4 above for that calendar year *pro rata temporis* for the period of time until the loan is effectively repaid to the Lenders.

(3) In the event of an extraordinary termination the principal of the loan shall be repayable to the Lenders in one total amount inclusive of interest pursuant to § 8 (1) and (2) above within two calendar weeks upon receipt of the declaration of extraordinary termination by the respective other Parties. If payment is delayed, the Company shall pay default interest at the rate of 8 % p.a.

§ 9
Subordination

Any and all claims of the Lenders under or in connection with this Loan Agreement and the loan granted hereby, in particular without limitation the claims for repayment of the principal of the loan and the claims for payment of interest, shall be subordinated to any and all current and future claims of all current and future creditors of the Company behind the claims pursuant to § 39 (1) No. 1-5 German Insolvency Code (*InsO*) with the rank of § 39 (2) InsO, if and to the extent that such subordination is necessary to avoid the coming into existence or the deterioration of an over-indebtedness (*Überschuldung*) or an inability to pay debts when they come due (*Zahlungsunfähigkeit*) of the Company within the meaning of the German insolvency law. Such claims may only be fulfilled if and when the over-indebtedness and inability to pay debts when they come due cease to exist and only out of future profits, a potential liquidation surplus or other free assets of the Company exceeding the other liabilities of the Company.

§ 10
Balancing of Payments

(1) The Company shall make any payments under this Loan Agreement to the Lenders, irrespective of the legal reason of such payments, at the same time and in the same proportion as the individual Lenders actually participate in the loan.

(2) In the event that the Company should at any point in time regardless of its obligations under this Loan Agreement make any payment to the Lenders not in the proportion stated in § 10 (1) above or not at the same time, the Lenders shall, in the internal relationship among themselves, establish by respective settlement and balancing payments such situation as would have existed, had the Company complied with its obligations under this Loan Agreement in an orderly way.

§ 11
Payments

All payments to be made to the respective Lender under this Loan Agreement shall exclusively be made by the Company by bank wire transfer to a bank account to be named by the respective Lender in writing, by telefax or e-mail.

§ 12
Final Provisions

(1) Any joint and several liability (*gesamtschuldnerische Haftung*) of the Lenders shall be excluded.

(2) The Company may only declare a set-off against claims owing to the Lenders under this Loan Agreement, as have either been acknowledged by the respective Lender or the existence of which has been finally determined by a court of law. The same applies to the exercise of retention rights with respect to claims of the Lenders under this Loan Agreement.

(3) If a due date for any payment is a day which is not a Bank Working Day, the respective payment shall be made on the next earlier Bank Working Day.

(4) Subject to § 12 (5) below, this Loan Agreement shall become legally binding and effective as soon as it has been signed by all Parties (not necessarily on the same page). The Parties agree that the signing of the signature page to this Loan Agreement and the delivery of the original of the signed signature pages to the Company shall be sufficient for purposes of entering into this Loan Agreement, and each of the Parties other than the Company waives the requirement of receipt of the respective signed signature pages of the other Parties.

(5) This Loan Agreement is subject to the fulfilment of the condition precedent (*aufschiebende Bedingung*) of the conclusion of the Convertible Bridge Loan Agreement by and between the Lenders, the Company and the other shareholders of the Company providing for the conclusion of this Loan Agreement and the right and obligation of the Lenders to convert the loan and any and all interest accrued thereon into shares of the Company; provided, however, that this condition precedent shall in any event be deemed to be fulfilled once the loan has been paid out to the Company.

(6) Amendments and additions to this Loan Agreement must be made in writing in order to be effective. This shall also apply to a waiver of the written form requirement as well as to a waiver of any right or claim under this Loan Agreement.

(7) Should individual terms of this Loan Agreement be or become invalid or unenforceable or if this Loan Agreement contains gaps, this shall not affect the validity of the remaining terms of this Loan Agreement. In place of the invalid, unenforceable or missing term, such valid term which the Parties would reasonably have agreed, had they been aware at the conclusion of this Loan Agreement that the relevant term was invalid, unenforceable or missing, shall be deemed to have been agreed. Should a term of this Loan Agreement be or become invalid because of the scope or time of performance for which it provides, then the agreed scope or time of performance shall be amended to correspond with the extent legally permitted.

(8) This Loan Agreement shall be governed by the laws of the Federal Republic of Germany without regard to the conflicts of laws provisions thereof. To the extent that such an agreement is legally valid, the courts of Heidelberg, Germany shall have non-exclusive jurisdiction over this Loan Agreement.

,	
(Place/Date)	(SGR Sagittarius Holding AG)
,	
(Place/Date)	(BioMed Invest I Ltd.)
,	
(Place/Date)	(OrbiMed Associates III, LP)
,	
(Place/Date)	(Caduceus Private Investments III, LP)

,	
(Place/Date)	(LSP III Omni Investment Coöperatief U.A.)
,	
(Place/Date)	(Novo Nordisk A/S)
,	
(Place/Date)	(Affimed Therapeutics AG)

Annex 2.2: Bank Account Details of the Company

Bank:	Deutsche Bank
Account No.:	XXXXXXXXX
IBAN:	XXXXXXXXXXXXXXXXXXXXXX
BIC/SWIFT:	XXXXXXXXXXX

Exhibit 10.15

Amendment to the

Investment Agreement Pre-IPO Financing Affimed Therapeutics AG,

Heidelberg, Germany

by and between

1. Prof. Dr. Melvyn Little, Immenseeweg 17, 25826 St. Peter-Ording, Germany
2. Deutsches Krebsforschungszentrum, Im Neuenheimer Feld 280, 69120 Heidelberg, Germany

- hereinafter referred to as "**DKFZ**" -

3. AGUTH Holding GmbH, Schloß-Wolfsbrunnenweg 33, 69118 Heidelberg, Germany

- hereinafter referred to as "**AGUTH**" -

4. KfW, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany

- hereinafter referred to as "**KfW**" -

5. tbg Technologie-Beteiligungs-Gesellschaft mbH, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany

- hereinafter referred to as "**tbg**" -

6. SGR Sagittarius Holding AG, Brügglistrasse 2, 8852 Altendorf, Switzerland

- hereinafter referred to as "**SGR**" -

7. BioMed Invest I Ltd., Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey, GY1 2QE, Channel Islands

- hereinafter referred to as "**BMI**" -

8. OrbiMed Associates III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA

- hereinafter referred to as "**OrbiMed Associates**" -

9. OrbiMed Private Investments III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA

- hereinafter referred to as "**OrbiMed Private Investments**" -

10. LSP III Omni Investment Coöperatief U.A., Johannes Vermeerplein 9, 1071 DV Amsterdam, The Netherlands

- hereinafter referred to as "**LSP**" -

11. Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark

- hereinafter referred to as "**Novo Nordisk**" -

12. Affimed Therapeutics AG, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany.

The parties named under 1. to 11. above are hereinafter also collectively referred to as the "**Shareholders**" and each individually as a "**Shareholder**". The parties named under 1. to 12. above are hereinafter also collectively referred to as the "**Parties**" and each individually as a "**Party**".

Preamble

The Shareholders are the sole shareholders of Affimed Therapeutics AG with its registered seat in Heidelberg, Germany, registered with the Commercial Register of the Mannheim Local Court under no. HRB 336536 (hereinafter also referred to as the "**Company**").

On 23-25 June 2014, the Shareholders and the Company entered into the "Investment Agreement Pre-IPO Financing Affimed Therapeutics AG, Heidelberg, Germany" (hereinafter referred to as the "**2nd Amendment**") providing for a pre-IPO financing of the Company in the total amount of at least EUR 11,702,072.00 (including the Loans and interest accrued thereon), which was to be rendered in two tranches, with the valuation applicable to this pre-IPO financing dependent on whether an IPO of the Company is closed on or before 31 October 2014. Capitalized terms used but not defined in this "Amendment to the Investment Agreement Pre-IPO Financing Affimed Therapeutics AG, Heidelberg, Germany" (hereinafter referred to as "**this Agreement**" or the "**3rd Amendment**") shall have the same meaning as given to them in any definitions in the 2nd Amendment, unless specifically defined otherwise in this Agreement.

In the event that an IPO of the Company is closed on or before 31 October 2014, the Parties intend to limit the volume of the second tranche of the pre-IPO financing of the Company laid down in the 2nd Amendment to the minimum investment which is necessary to put the Investors in such position as they each would be in if they had invested the first tranche of the pre-IPO financing of the Company laid down in the 2nd Amendment (including the Loans and interest accrued thereon) against subscription of new Series E Preferred Shares with a discount of 20 % on the share price equal to the lower end of the price range printed on the cover of the preliminary prospectus immediately prior to the pricing of the IPO of the Company, and to cancel any further investment of the Investors in the second tranche of the pre-IPO financing of the Company laid down in the 2nd Amendment.

NOW, THEREFORE, the Parties hereby enter into this Agreement.

§ 1

Amendments to § 5 of the 2nd Amendment

(1) § 5 (Adaptation in Case of an IPO of the Company) of the 2nd Amendment shall be amended and replaced by the following provisions:

"**§ 5**

Adaptation in Case of an IPO of the Company

(1) The Shareholders agree that in case of the Pricing of an IPO of the Company on or before 31 October 2014, the Investors shall be put in such position as they each would be in if they had invested the first tranche of the pre-IPO financing laid down in the 2nd Amendment (including the Loans and interest accrued thereon) against subscription of new Series E Preferred Shares with a discount of 20 % on the share price equal to the lower end of the price range printed on the cover of the preliminary prospectus immediately prior to the pricing of the IPO of the Company in accordance with the following provisions.

(2) In case of the Pricing of an IPO of the Company on or before 31 October 2014, the Shareholders shall resolve in favour of an increase of the Company's share capital in an extraordinary Shareholders' Meeting of the Company to be held in the form of a plenary meeting (hereinafter referred to as the "**IPO Adaptation Capital Increase**"). The IPO Adaptation Capital Increase shall be resolved and consummated immediately after the Pricing of the IPO of the Company. The IPO Adaptation Capital Increase shall be an increase of the Company's share capital in return for cash contributions against payment of the amount of EUR 1.00 per share (issue price). As part of the IPO Adaptation Capital Increase, the Investors shall be exclusively invited, to the exclusion of the other Shareholders' statutory subscription rights, to subscribe and to take over new Series E Preferred Shares in each case in such number as is equal to the respective Total IPO Investment (as defined below) divided by the result of (the IPO Adaptation Share Price (as defined below) minus EUR 1.00), if necessary commercially rounded to the next full number, and the result minus the number of new Series E Preferred Shares subscribed by them under § 2 (1) (i) or § 4 (2) above, respectively. The new Series E Preferred Shares issued under this § 5 (2) shall have the right to participate in profits as from 1 January 2014. The new Series E Preferred Shares shall have the rights, preferences and privileges as set forth in the Articles of Association of the Company, as amended under § 2 (1) (ii) above, and the Legal Framework, as amended by the 2nd Amendment.

The respective "**Total IPO Investment**" shall be equal to (a) in case of the Initial Investors: the sum of (i) the amount set forth opposite the name of the respective Initial Investor in the column "Total Loan Conversion" in the table in § 1 (1) above and (ii) the amount set forth opposite the name of the respective Initial Investor in the column "New Investment First Tranche" in the table in § 1 (2) above, and (b) in case of the External Investors: an amount equal to 70.09 % of the total investment in the pre-IPO financing of the Company to which the respective External Investor shall be admitted in the Second Closing under § 4 (1) above.

The respective "**Total Investment**" shall be equal to (a) in case of the Initial Investors: the sum of (i) the amount set forth opposite the name of the respective Initial Investor in the column "Total Loan Conversion" in the table in § 1 (1) above and (ii) the amount set forth opposite the name of the respective Initial Investor in the column "Total New Investment" in the table in § 1 (2) above, and (b) in case of the External Investors: the amount of the total investment in the pre-IPO financing of the Company to which the respective External Investor shall be admitted in the Second Closing under § 4 (1) above.

The "**IPO Adaptation Share Price**" shall be equal to the price per share of the Company with a portion of the Company's share capital of EUR 1.00 each which corresponds to the lower end of the price range printed on the cover of the preliminary prospectus used for the roadshow for the IPO of the Company multiplied by 0.8.

§ 2 (2) to (5) above shall apply *mutatis mutandis*. In addition, the Company undertakes vis-à-vis the Investors to take all measures and to render all declarations in order to convene the necessary Shareholders' Meetings to implement the IPO Adaptation Capital Increase.

(3) The Shareholders agree that in case that an IPO of the Company is Priced on or before 31 October 2014 and the pre-IPO financing of the Company is adapted pursuant to this § 5, but subsequently it turns out that the IPO of the Company is not closed on or before 31 October 2014, then § 6 below shall apply, provided that the number of new Series E Preferred Shares to be subscribed by the respective Investor under § 6 (2) below shall in each case be reduced by the number of new Series E Preferred Shares subscribed by the respective Investor under § 5 (2) above.

(4) The Shareholders are aware that a restructuring of the Company may become necessary for the IPO of the Company. As a result of such restructuring, a holding company would hold 100 % of the shares of the Company and the Shareholders would hold shares in that holding Company. The Parties agree that

in this case, the adaptation in case of an IPO of the Company shall be accomplished by way of an appropriate adaptation of the exchange ratio of the Series E Preferred Shares of the Company into shares of the holding company applying this § 5 *mutatis mutandis*.

(5) The Shareholders agree that in the event that

(a) the IPO Adaptation Share Price is higher than EUR 95.1885, no new Series E Preferred Shares shall be issued to the Investors under § 5 (2) above, and each of the Investors undertakes individually for himself vis-à-vis each other and each of the other Shareholders, but not vis-à-vis the Company, to render additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB in an amount equal to the IPO Adaptation Share Price multiplied by the number of new Series E Preferred Shares subscribed by the respective Investor under § 2 (1) (i) or § 4 (2) above, respectively, and the result minus the respective Total IPO Investment, but in each case not more than (a) in case of the Initial Investors the amount set forth opposite the name of the respective Initial Investor in the column "New Investment Second Tranche" in the table in § 1 (2) above and (b) in case of the External Investors 29.91 % of the total investment in the pre-IPO financing of the Company to which the respective External Investor shall be admitted in the Second Closing under § 4 (1) above; such additional payments into the capital reserves of the Company shall be rendered (without any deductions for bank fees) to the Company's bank account as set forth in § 3 (1) above, and shall in each case become due for payment to the Company in two instalments, whereby the second instalment shall be equal to such amount as would be required as total issue price of EUR 1.00 per share for the further Series E Preferred Shares to be issued to the respective Investor under § 5 (3) above in conjunction with § 6 (2) below in case that the IPO of the Company is not closed on or before 31 October 2014, and the first instalment shall be equal to the remaining amount of the additional payments into the capital reserves of the Company under this § 5 (5) (a), whereby the first instalment shall in

each case become due for payment to the Company immediately after the Pricing of the IPO of the Company, and the second instalment shall in each case become due for payment to the Company by way of a condition precedent immediately after the closing of the IPO of the Company on or before 31 October 2014; § 3 (3) above shall apply *mutatis mutandis*; and

(b) the IPO Adaptation Share Price is so high that even in case that no new Series E Preferred Shares are issued to the Investors under § 5 (2) above and the maximum amount set forth in § 5 (5) (a) above is rendered as additional payments into the capital reserves of the Company, but the number of new Series E Preferred Shares subscribed by the Investors under § 2 (1) (i) or § 4 (2) above, respectively, is still higher than the number of new Series E Preferred Shares they shall be entitled to pursuant to § 5 (1) above, then the Shareholders shall do or cause to be done everything necessary or appropriate to implement the principle set forth in § 5 (1) above by any other means, e.g. by applying an adapted exchange ratio in the course of the restructuring under § 5 (4) above or by a redistribution of the new Series E Preferred Shares subscribed by the Investors under § 2 (1) (i) or § 4 (2) above, respectively, among the Shareholders; provided always, that in no event shall the Investors be obliged to render further contributions to the Company in order to implement this."

(2) In case of the Pricing of an IPO of the Company on or before 31 October 2014, the commitments of the Investors with respect to the second tranche of the pre-IPO financing of the Company laid down in the 2nd Amendment under § 1 (2) of the 2nd Amendment and § 4 (1) of the 2nd Amendment, as amended under § 2 below, and any corresponding rights of the Investors to invest such amounts, shall be cancelled, with the exception of such amounts as shall be invested by the Investors under § 5 (2) or § 5 (5) (a) above, if any.

§ 2

Amendments to § 4 of the 2nd Amendment

(1) The reference to "this Agreement, the Legal Framework, as amended by this Agreement, and the Articles of Association, as amended under § 2 (1) (ii) above" in § 4 (1) of the 2nd Amendment shall henceforth refer to "the 2nd Amendment, as amended by the 3rd Amendment, the Legal Framework, as amended by the 2nd Amendment and the 3rd Amendment, and the Articles of Association, as amended under § 2 (1) (ii) of the 2nd Amendment", and any reference to "this Agreement and the Legal Framework, as amended by this Agreement" in § 4 (1) and (2) of the 2nd Amendment shall henceforth refer to "the 2nd Amendment, as amended by the 3rd Amendment, and the Legal Framework, as amended by the 2nd Amendment and the 3rd Amendment".

(2) The definition of Pricing in § 4 (1) of the 2nd Amendment shall be amended and replaced as follows:

The "**Pricing**" of an IPO of the Company shall be the determination of the price range printed on the cover of the preliminary prospectus used for the roadshow for the IPO of the Company, and the expression "**Priced**" shall be construed accordingly.

(3) Annex 4.1 to the 2nd Amendment shall be amended and replaced by Annex 2.3 to this Agreement.

§ 3

Amendments to § 9 of the 2nd Amendment

Any reference in the first sentence of § 11 (3) of the 1st Amendment, as amended by § 9 (3) of the 2nd Amendment, to the 2nd Amendment shall henceforth refer to the 2nd Amendment and the 3rd Amendment.

§ 4

Final Provisions

(1) The Parties agree that unless expressly set forth otherwise in this Agreement, the 2nd Amendment and the Legal Framework, each as amended by this Agreement, shall remain in full force and effect.

(2) Any reference in the 2nd Amendment, as amended by this Agreement, to any provision of the Legal Framework shall henceforth refer to such provision of the 2nd Amendment, as amended by this Agreement.

(3) Any definitions of terms in this Agreement shall also apply in the 2nd Amendment, as amended by this Agreement.

(4) This Agreement shall become legally binding and effective as soon as it has been signed by all Parties (not necessarily on the same page) and the Company has received the originals of the signed signature pages of all Parties. The Parties agree that the signing of the signature page to this Agreement and the delivery of the originals of the signed signature pages to the Company shall be sufficient for purposes of entering into this Agreement, and each of the Parties other than the Company waives the requirement of receipt of the respective signed signature pages of the other Parties pursuant to § 151 sentence 1 BGB. The Company shall provide each Party with a pdf copy of all signed signature pages.

(5) Section J of the Shareholders' Agreement shall apply *mutatis mutandis* to this Agreement.

St. Peter-Ording, July 22, 2014	/s/ Prof. Dr. Melvyn Little
(Place, Date)	(Prof. Dr. Melvyn Little)

Heidelberg, July 24, 2014	/s/ Dr. Otmar Wiestler /s/ Dr. Josef Puchta
(Place, Date)	(Deutsches Krebsforschungszentrum)
Munich, July 24, 2014	/s/ Dr. Hans Schäfer von Weitnauer
(Place, Date)	(AGUTH Holding GmbH)
Bonn, August 18, 2014	/s/ Gerd-Henner Rupp /s/ Corinna Monschein
(Place, Date)	(KfW)
Bonn, August 18, 2014	/s/ Bärbel Wagan /s/ Sysabbe Rübenach
(Place, Date)	(tbg Technologie-Beteiligungs-Gesellschaft mbH)
Munich, July 24, 2014	/s/ Dr. Hans Schäfer von Weitnauer
(Place, Date)	(SGR Sagittarius Holding AG)
Guernsey, July 23, 204	/s/ Kevin Gilligan
(Place, Date)	(BioMed Invest I Ltd.)
New York, August 18, 2014	/s/ Carl Gordon
(Place, Date)	(OrbiMed Associates III, LP)
New York, August 18, 2014	/s/ Carl Gordon
(Place, Date)	(OrbiMed Private Investments III, LP)
Amsterdam/Munich, July 23, 2014	/s/ J.G. Rothe /s/ Rene Kuijten
(Place, Date)	(LSP III Omni Investment Coöperatief U.A.)
August 19, 2014	/s/ Gregory Jones
(Place, Date)	(Novo Nordisk A/S)
Heidelberg, July 22, 2014	/s/ Dr. Adi Hoess /s/ Dr. Florian Fischer
(Place, Date)	(Affimed Therapeutics AG, Management Board)
Zurich, July 20, 2014	/s/ Dr. Thomas Hecht
(Place, Date)	(Affimed Therapeutics AG, Supervisory Board)

Annex 2.3 to the Amendment to the Investment Agreement Pre-IPO Financing
Affimed Therapeutics AG, Heidelberg, Germany

On 23-25 June 2014, Affimed Therapeutics AG, Heidelberg, Germany (hereinafter referred to as the "**Company**") and its shareholders entered into that certain "Investment Agreement Pre-IPO Financing Affimed Therapeutics AG, Heidelberg, Germany" (hereinafter referred to as the "**Investment Agreement Pre-IPO Financing**"), as amended by that certain "Amendment to the Investment Agreement Pre-IPO Financing Affimed Therapeutics AG, Heidelberg, Germany" (hereinafter referred to as the "**Amendment Agreement**"). Capitalized terms used but not defined herein shall have the same meaning as given to them in any definitions in the Investment Agreement Pre-IPO Financing, as amended by the Amendment Agreement.

Pursuant to § 4 (1) of the Investment Agreement Pre-IPO Financing, as amended by the Amendment Agreement, the undersigned

_____
_____
_____
[insert name and address]

hereby undertakes severally not jointly (*teilschuldnerisch*) vis-à-vis each of the other Shareholders, but not vis-à-vis the Company, an investment in the Second Closing in the total amount of EUR _____ as issue price for new shares of the Company under § 4 (2) and § 5 (2) or § 6 (2) of the Investment Agreement Pre-IPO Financing, as amended by the Amendment Agreement, and additional payments into the capital reserves of the Company pursuant to § 272 (2) No. 4 HGB under § 4 (3) and § 5 (5) (a) or § 6 (3) of the Investment Agreement Pre-IPO Financing, as amended by the Amendment Agreement, at the terms and conditions set forth in the Investment Agreement Pre-IPO Financing, as amended by the Amendment Agreement, the Legal Framework, as amended by the Investment Agreement Pre-IPO Financing and the Amendment Agreement, and the Articles of Association of the Company, and hereby becomes a party to the Investment Agreement Pre-IPO Financing, as amended by the Amendment Agreement, and the Legal Framework, as amended by the Investment Agreement Pre-IPO Financing and the Amendment Agreement, with the rights and obligations of an External Investor, an Investor, a Lead Investor, a Shareholder and a Party.

_____ [place], _____ [date]

_____

(_____ [insert name])

DE BRAUW
BLACKSTONE
WESTBROEK

FORM OF DIRECTOR INDEMNIFICATION AGREEMENT

between

Affimed N.V.

and

[Director]

Dated *[—]*

Contents

THE UNDERSIGNED:

(1) **Affimed N.V**., a public company with limited liability (*naamloze vennootschap*), incorporated under the laws of the Netherlands and having its corporate seat in Amsterdam, the Netherlands and its principle office in Heidelberg, Germany including, where the context permits, all of its Subsidiaries (the "**Company**"); and

(2) [Director], ("**Indemnitee**")

WHEREAS:

(A) Highly competent persons have become more reluctant to serve corporations as directors or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation.

(B) The management board of the Company (the "**Management Board**") and the supervisory board of the Company (the "**Supervisory Board**", the Management Board and Supervisory Board together referred to as the "**Board**") have determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers, and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself.

(C) The uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons. The Supervisory Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company's stockholders and other stakeholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future.

(D) It is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified.

(E) The Indemnitee does not regard the protection available under the Company's insurance as adequate in the present circumstances, and may not be willing to continue to serve as a member of the Board or in any other capacity without adequate protection, and the Company desires Indemnitee to serve in such capacity. Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he be so indemnified. Therefore, in consideration of Indemnitee's agreement to serve as a member of the Board from and after the date hereof,

IT IS AGREES AS FOLLOWS

1 INDEMNIFICATION OF INDEMNITEE.

The Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by law, as such may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

1.1.1 Proceedings other than Proceedings by or in the Right of the Company.

Indemnitee shall be entitled to the rights of indemnification provided in this Section 1.1.1 if, by reason of his Corporate Status (as hereinafter defined in Schedule 1), the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (as hereinafter defined) other than a Proceeding by or in the right of the Company. Pursuant to this Section 1.1.1, Indemnitee shall be indemnified against all Expenses (as hereinafter defined), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him, or on his behalf, in connection with such Proceeding or any claim, issue or matter therein, if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful.

1.1.2 Proceedings by or in the Right of the Company.

Indemnitee shall be entitled to the rights of indemnification provided in this Section 1.1.2 if, by reason of his Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1.1.2, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee, or on the Indemnitee's behalf, in connection with such Proceeding if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Company unless and to the extent that the appropriate court in the Netherlands shall determine that such indemnification may be made.

1.1.3 Indemnification for Expenses of a Party Who is Wholly or Partly Successful.

Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by or on his behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 1 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

2 ADDITIONAL INDEMNITY

In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company shall and hereby does indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf if, by reason of his Corporate Status, he is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company). The only limitation that shall exist upon the Company's obligations pursuant to this Agreement shall be that

the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 11 hereof) to be unlawful.

3 CONTRIBUTION

3.1 Whether or not the indemnification provided in Sections 1 and 2 hereof is available, in respect of any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such action, suit or proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.

3.2 Without diminishing or impairing the obligations of the Company set forth in the preceding subparagraph, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all managing directors, supervisory directors, officers or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction from which such action, suit or proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all managing directors, supervisory directors, officers or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which the Law may require to be considered. The relative fault of the Company and all managing directors, supervisory directors, officers or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to

which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

3.3 The Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by managing directors, supervisory directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

3.4 To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its managing directors, supervisory directors, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

4 INDEMNIFICATION FOR EXPENSES OF A WITNESS

Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a witness, or is made (or asked) to respond to discovery requests, in any Proceeding to which Indemnitee is not a party, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

5 ADVANCEMENT OF EXPENSES

Notwithstanding any other provision of this Agreement, the Company shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within ten (10) calendar days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 5 shall be unsecured and interest free.

6 PROCEDURES AND PRESUMPTIONS

It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the laws of the Netherlands and public policy of the Netherlands. Accordingly, the parties agree that the following procedures and presumptions shall apply to claims by Indemnitee for indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such relevant documentation and information as is reasonably available to Indemnitee. Any payment for indemnification requested by the Indemnitee hereunder shall be made no later than ten (10) calander days after receipt of the written request of the Indemnitee; provided, however, that the written request of the Indemnitee shall constitute an undertaking providing that the Indemnitee undertakes to the fullest extent required by law to repay any indemnification payment if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company.

(b) In any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(c) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise (as hereinafter defined) in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any managing director, supervisory director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(c) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(d) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any action, claim or proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, claim or proceeding with or without payment of money or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such action, suit or proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence

(e) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful.

7 NON-EXCLUSIVITY, SURVIVAL OF RIGHTS, INSURANCE, PRIMACY OF INDEMNIFICATION, AND SUBROGATION.

7.1 The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, any agreement, a vote of stockholders, a resolution of directors or otherwise, of the Company. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in the laws of the Netherlands, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder

or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

7.2 To the extent that the Company maintains an insurance policy or policies providing liability insurance for managing directors, supervisory directors, officers, employees, or agents or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any managing director, supervisory director, officer, employee, agent or fiduciary under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

7.3 In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

7.4 The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

7.5 The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a managing director, supervisory director, officer, employee or agent of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

8 EXCEPTION TO RIGHT OF INDEMNIFICATION

Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any claim made against Indemnitee:

(a) for which it has been established by a competent court in a final and conclusive decision that such claim results from willful (opzettelijk), intentionally reckless (bewust roekeloos) or seriously culpable (ernstig verwijtbaar) conduct by the Indemnitee;

(b) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; or

(c) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of federal, state, provincial or local statutory law or common law; or

(d) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its managing directors, supervisory directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation or (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

9 DURATION OF AGREEMENT

9.1 This Agreement shall continue until and terminate upon the later of:

(i) ten (10) years after the date that Indemnitee shall have ceased to serve as a Board member;

(ii) one (1) year after the final termination of any Proceeding, including any appeal, then pending in respect of which Indemnitee is granted rights of indemnification or advancement hereunder and of any proceeding commenced by Indemnitee pursuant to Section 11 of this Agreement relating thereto; or

(iii) three (3) years after the date on which the Company is declared bankrupt.

9.2 This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to

all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

10 SECURITY

To the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

11 ENFORCEMENT AND REMEDIES OF THE INDEMNITEE

11.1 The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as a Board member, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a Board member.

11.2 In the event that advancement of Expenses or payment of any claim for indemnification is not made pursuant to this Agreement within ten (10) calendar days after receipt by the Company of a written request from Indemnitee therefor, Indemnitee shall be entitled to an adjudication in an appropriate court of the Netherlands, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification. The Company shall not oppose Indemnitee's right to seek any such adjudication.

11.3 The Company shall be precluded from asserting in any Proceeding commenced pursuant to this Section 11 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. The Company shall indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within ten (10) calendar days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advance of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, as the case may be.

11.4 This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

12 SEVERABILITY

The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable laws. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

13 MODIFICATION AND WAIVER

No supplement, modification, waiver, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

14 NOTICE BY INDEMNITEE

Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

15 NOTICES

15.1 All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given:

(i) upon personal delivery to the party to be notified;

(ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day;

(iii) five (5) calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or

(iv) one (1) calendar day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt.

15.2 All communications shall be sent:

(a) If to Indemnitee, at the address set forth below Indemnitee's signature hereto;

(b) If to the Company, at: Affimed N.V., Im Neuenheimer Feld 582, 69120, Heidelberg, Germany.

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

16 COUNTERPARTS

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17 GOVERNING LAW AND CONSENT TO JURISDICTION

This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the Netherlands, without regard to its conflict of laws rules. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the appropriate court of the Netherlands (the "Netherlands Court"), and not in any state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Netherlands Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Netherlands Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Netherlands Court has been brought in an improper or inconvenient forum.

[*Signature page to follow*]

AGREED AND SIGNED ON [DATE] BY:

Affimed N.V.

_____
Name:
Title:

[Director]

_____
Name:
Title:

Address:

_____
_____
_____
_____

Schedule 1 Definitions

"**Agreement**" means this director indemnification agreement between the Company and the Indemnitee.

"**Board**" means the Management Board and Supervisory Board combined.

"**Corporate Status**" describes the status of a person who is or was a managing director, supervisory director, officer, employee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express request of the Company.

"**Enterprise**" means the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express request of the Company as a managing director, supervisory director, officer, employee, agent or fiduciary.

"**Expenses**" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in, a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including without limitation the premium, security for, and other costs relating to any cost bond, supersede as bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

"**Indemnitee**" has the meaning stated in the preambule.

"**Management Board**" means the management board of the Company.

"**Proceeding**" includes any actual, threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened, pending or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was a Board member, by reason of any action taken by him or of any inaction on his part while acting as a Board member, or by reason of the fact that he is or was serving at the request of the Company as a managing director, supervisory director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other Enterprise; in

each case whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including one pending on or before the date of this Agreement, but excluding one initiated by an Indemnitee pursuant to Section 11 of this Agreement to enforce his rights under this Agreement.

"**Subsidiaries**" means the subsidiaries of Affimed N.V.

"**Supervisory Board**" means the supervisory board of the Company.

Term Facility Agreement

USD 14,000,000

between

Affimed Therapeutics AG

and

PCOF 1, LLC

MORRISON
FOERSTER

Table of Contents

This facility agreement (the "**Agreement**") is dated 24 July 2014 and made by and among:

(1) **Affimed Therapeutics AG**, a stock corporation governed by German law (*Aktiengesellschaft*) having its corporate seat in Heidelberg, Germany and business address at Im Neuenheimer Feld 582, 69120 Heidelberg, registered with the local court (*Amtsgericht*) of Mannheim under number HRB 336536;

- the "**Borrower**" -

and

(2) **PCOF 1, LLC,** a limited liability company governed by the laws of Delaware, having its business address at 499 Park Avenue, 25th Floor, New York, New York 10022

- the " **Lender**" -

Now and therefore the Parties agree as follows:

SECTION 1
INTERPRETATION

1. DEFINITIONS AND INTERPRETATIONS

1.1 **Definitions**

In this Agreement:

"**AbCheck**" means AbCheck s.r.o., a company organized under the laws of the Czech Republic and a wholly owned subsidiary of the Borrower.

"**Accession Letter**" means a document substantially in the form set out in Schedule 10 (*Form of Accession Letter)*.

"**Additional Guarantor**" means a Guarantor which becomes an Additional Guarantor in accordance with Clause 23 (*Changes to the Obligors*).

"**Additional Obligor**" means an Additional Borrower or an Additional Guarantor.

"**Affiliate**" means in relation to any person, a Subsidiary of that person.

"**AFM11**" means Borrower's T-cell TandAb technology for treatment of certain CD19+ B-cell malignancies, currently in clinical development for the treatment of non-Hodgkin Lymphoma. The patents related to AFM11 are listed in Schedule 12.

"**AFM13**" means Borrower's first-in-class NK-cell TandAb designed for treatment of certain CD30-positive (CD30+) B- and T-cell malignancies, including Hodgkin Lymphoma. The patents related to AFM13 are listed in Schedule 13.

"**Amphivena**" means Amphivena Therapeutics, Inc., a Delaware corporation and a minority shareholding of Borrower.

"**Amphivena Agreement**" means the Amphivena Therapeutics, Inc., Series A-1 Preferred Stock Purchase Agreement dated July 11, 2013.

"**Amphivena Agreement Proceeds**" means any cash proceeds generated under the Amphivena Agreement and received by the Borrower after the date of conclusion of this Agreement.

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Availability Period**" means:

(a) in relation to Facility A, the period from and including the date of this Agreement to and including December 31, 2015; and

(b) in relation to Facility B, the period from and including November 1, 2014 to and including December 31, 2015.

"**Available Commitment**" means, in relation to a Facility, the Lender's Commitment under that Facility to the extent not cancelled, reduced or transferred by it under this Agreement minus any outstanding Loans under that Facility;

"**Available Facility**" means, in relation to a Facility, the aggregate for the time being of the Lender's Available Commitment in respect of that Facility.

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in Frankfurt am Main, Germany.

"**BW**" means Dutch Civil Code (*Burgerlijk Wetboek*).

"**Carve-out Agreement**" means the agreements by and between the current Shareholders, the Borrower and certain members of the management board, Supervisory Board and consultants of the Borrower that grant the beneficiaries a participation in the proceeds of an exit of the current Shareholders.

"**Cash**" means any credit balance on any deposit, savings, current or other account, and any cash in hand, which is:

(a) Freely withdrawable on demand;

(b) Not subject to any Security (other than pursuant to any Security Document);

(c) denominated and payable in freely transferable and freely convertible currency; and

(d) capable of being remitted to the Borrower in Germany.

"**Cash Report**" means a Cash status report for the Borrower to be delivered by the Borrower to the Lender in accordance with Clause 18.3 showing that the Cash of the Borrower has been at any time during the preceding month minimum USD 2,000,000.00 and in the form as set out in Schedule 4.

"**Commitment**" means a Facility A Commitment or Facility B Commitment.

"**Default**" means an Event of Default or any event or circumstance specified in Clause 21 (*Events of Default*) which would with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing be an Event of Default.

"**Dutch Guarantor**" means any entity governed by Dutch law in which the Shareholders contribute all their shares in the Borrower and all shares of which are after the contribution and prior to the IPO, held by the Shareholders.

"**Dutch Warrants**" means any Warrants regarding the shares in the Dutch Guarantor with terms and conditions substantially in the form as attached hereto in Schedule 7.

"**Event of Default**" means any event or circumstance specified as such in Clause 21 (*Events of Default*).

"**Facility**" means Facility A or Facility B.

"**Facility A**" means the term loan facility made available under this Agreement as described in Clause 2 (*The Facilities*).

"**Facility A Commitment**" means an amount of USD 5,500,000.00.

"**Facility A Loan**" means a loan made or to be made under Facility A or the principal amount outstanding for the time being of that loan.

"**Facility B**" means the term loan facility made available under this Agreement as described in Clause 2 (*The Facilities*).

"Facility B Commitment" means

(a) subject to the completion of the IPO , an amount of USD 8,500,000.00 or

(b) if and for as long as the IPO has not been completed, the lower amount of

(1) USD 8,500,00.00 or

(2) the amount of all New Equity Investments plus (i) the amount of Amphivena Agreement Proceeds and (ii) the amount of New Business Development Transactions Proceeds,,

to the extent not cancelled, reduced or transferred under this Agreement.

If the IPO has not been completed on the beginning of the Availability Period for Facility B, the amount of the Facility B Commitment shall be determined on the beginning of the Availability Period for Facility B and subsequently any time upon the reasonable request of a Party. For the purpose of determining the amount of the Facility B Commitment, the Borrower shall provide to the Lender either (i) evidence of the completion of the IPO (which shall be satisfied by a press release to this effect) or (ii) a calculation of the aggregate amount of and reasonable documentary proof on the receipt of the Amphivena Agreement Proceeds, the amount of any New Equity Investment and the New Business Development Transactions Proceeds, each certified by the members of the management board of the Borrower. If the IPO has not been completed at the time of determination, the Lender shall confirm the amount of the Facility B Commitment no later than seven (7) Business Days after the above mentioned documents have been duly submitted to it. The Lender may only withhold the confirmation of or deviate from the amount of the Borrower's calculation of the amount of the Facility B Commitment if, subject to the Lender acting reasonably, the calculation of the Facility B Commitment amount as submitted by the Borrower is incorrect or not sufficiently evidenced by the documentation submitted.

"**Facility B Loan**" means a loan made or to be made under Facility B or the principal amount outstanding for the time being of that loan.

"**Finance Document**" means this Agreement, any Fee Letter, any Accession Letter and any other document designated as such by the Lender and the Borrower or any member of the Group.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, commercial papers, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease contract which would, in accordance with GAAP, be treated as a finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

"**First Utilisation Date**" means the date of the first Utilisation of Facility A, being the date on which the first Facility A Loan is to be made.

"**GAAP**" means generally accepted accounting principles in German Commercial Code (*Handelsgesetzbuch*), including IFRS.

"**German Warrants**" means any Warrants regarding the shares in the Borrower with terms and conditions substantially as agreed upon in the outline of terms and conditions of the warrant bond attached hereto as Schedule 8.

"**Group**" means the Borrower and its Subsidiaries for the time being and, following the Pre-IPO-Reorganization Date, the Dutch Guarantor and its Subsidiaries after its accession to this Agreement.

"**Group Structure Chart**" means a structure chart of the Group as attached hereto as Schedule 5 and as amended from time to time.

"**Guarantor**" means the Dutch Guarantor which becomes an Additional Guarantor after the Pre-IPO-Reorganization Date in accordance with Clause 23 (*Changes to the Obligors*) or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with Clause 23 (*Changes to the Obligors*).

"**Intellectual Property**" means all trademarks, service marks, trade names, domain names, logos, get-up, patents, inventions, registered and unregistered design rights, copyrights, topography rights, database rights, rights in confidential information and Know-how, and any associated or similar rights anywhere in the world, which it now or in the future owns or (to the extent of its interest) in which it now or in the future has an interest (in each case whether registered or unregistered and including any related licences and sub-licences of the same granted by it or to it, applications and rights to apply for the same).

"**Interest Period**" means, in relation to a Loan, each period determined in accordance with Clause 9 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 8.3 (*Default interest*).

"**IPO**" means the initial public offering of shares in the Dutch Guarantor following the Pre-IPO-Reorganization by which the Dutch Guarantor raises at least an amount of USD 20,000,000.00.

"**Joint Venture**" means any joint venture, whether a company, unincorporated firm, undertaking, joint venture, association, partnership or any other entity.

"**Know-how**" means any information and materials, whether proprietary or not and whether patentable or not, including without limitation ideas, concepts, inventions, data, formulas, methods, protocols, procedures, knowledge, trade secrets, processes, assays, skills, experience, techniques, designs, compositions, plans, documents, results of experimentation or testing, including without limitation, pharmacological, toxicological, and pre-clinical and clinical test data and analytical and quality control data, improvements, discoveries, works of authorship, compounds, biological materials and reagents.

"**Lender**" means:

(a) the Lender; and

(b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with Clause 22 (*Changes to the Lenders*),

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.

"**LIBOR**" means, in relation to any Loan the applicable Screen Rate at 12:00 p.m. on the Quotation Day for the currency of that Loan and for a period equal in length to the Interest Period of that Loan and, if that rate is less than one per cent, LIBOR shall be deemed to be one per cent.

"**Liquidity Amount**" means the aggregate amount of any Cash held by the Borrower.

"**LLS Interruption License**" means the exclusive license on AFM13 the Borrower has granted to the Leukemia & Lymphoma Society which becomes only effective if the Borrower has ceased or ceased commercially reasonable efforts with respect to research, development and commercialization of all AFM13 products. Pursuant to the Agreement between the Borrower and the Leukemia & Lymphoma Society dated on August 26, 2013 and amended on April 29, 2014 this LLS Interruption License can be cured within a maximum of 360 days. As an alternative to this license the Borrower may elect to make a payment to the Leukemia & Lymphoma Society.

"**Loan**" means a Facility A Loan or a Facility B Loan.

"**Margin**" means nine per cent (9%) per annum.

"**Material Adverse Effect**" means material adverse change in the business, financial performance, operations, condition (financial or otherwise), assets or prospects of the Borrower and its Subsidiaries, taken as a whole, which results in a material impairment of the prospect of repayment of any portion of the Loans.

"**Maturity Date**" means the date on the fourth (4th) anniversary of the First Utilization Date.

"**Month**" means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) (subject to paragraph (c) below) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

(c) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period.

"**New Business Development Transactions**" means any transaction with a reputable pharmaceutical or biotechnology company in which the Borrower licenses its own technology for clinical development, provided that such transaction is (i) approved by the management board of the Borrower, (ii) conducted in the ordinary course of business and (iii) based on commercially reasonable terms for fair value and excluding proceeds from the Amphivena Agreement.

"**New Business Development Transactions Proceeds**" means any cash proceeds generated under New Business Development Transactions and received by the Borrower after the date of conclusion of this Agreement.

"**New Equity Investment**" means any equity investment into the Borrower.

"**New Lender**" has the meaning given to that term in Clause 22 (*Changes to the Lenders*).

"**Obligor**" means the Borrower or a Guarantor.

"**Original Financial Statements**" means in relation to the Borrower, its audited unconsolidated financial statements and the audited consolidated financial statements of the Group for the financial year ended December 31, 2013.

"**Party**" means a party to this Agreement.

"Permitted Financial Indebtedness" means:

(a) any Financial Indebtedness arising under any Finance Document;

(b) any Financial Indebtedness arising under a Permitted Loan or a Permitted Guarantee;

(c) any Financial Indebtedness arising under a Permitted Hedging Transaction;

(d) any Financial Indebtedness arising under a declaration of joint and several liability used for the purpose of section 2:403 BW (and any residual liability under such declaration arising pursuant to section 2:404(2) BW);

any Financial Indebtedness existing as of the date hereof. "**Permitted Guarantee**" means:

(a) any guarantee arising under the Finance Documents;

(b) any guarantee issued by a member of the Group which is not an Obligor in respect of the Financial Indebtedness of another member of the Group which is not an Obligor;

(c) any guarantee issued by a member of the Group which is not an Obligor in respect of the Financial Indebtedness of an Obligor;

(d) any guarantee issued by a member of the Group on arm's length terms and in the ordinary course of its trading, not in respect of Financial Indebtedness;

(e) any customary indemnity in relation to a Permitted Hedging Transaction;

(f) any guarantee in respect of a netting or set-off arrangement entered into by a member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances for members of the Group, provided that the arrangement does not permit credit balances of Obligors to be netted or set off against debit balances of members of the Group which are not Obligors and the arrangement does not give rise to Security or Quasi Security over the assets of Obligors in support of liabilities of members of the Group which are not Obligors;

(g) any liability arising under a declaration of joint and several liability used for the purpose of section 2:403 BW (and any residual liability under such declaration arising pursuant to section 2:404(2) BW);

(h) any liability arising as a result of two or more members of the Group being part of a fiscal unity (*fiscale eenheid*) for Dutch Tax purposes;

(i) any guarantee not falling within paragraphs (a) to (h) above where the aggregate liability (whether actual or contingent) of members of the Group under all such guarantees does not, at any time, exceed USD 50,000.00 (or its equivalent in another currency or currencies).

"**Permitted Hedging Transaction**" means any derivative transaction to hedge actual or projected interest or currency exposures arising in the ordinary course of trading of a member of the Group and not for speculative purposes.

"**Permitted Joint Venture**" means a Joint Venture where each of the following criteria applies:

(a) no Event of Default is continuing on the date of the acquisition of or investment in the Joint Venture or would occur as a result of the acquisition of or investment in a Joint Venture;

(b) the Joint Venture is incorporated or established, and carries on its principal business, in a member state of the OECD;

(c) the Joint Venture carries on, or is, a business substantially the same as that carried on by the Borrower;

(d) any investment and/or acquisition cost borne by any Member of the Group in connection with the setting up of a Joint Venture shall only consist of a license on Intellectual Property of a Member of the Group, provided however the terms and conditions of such license are commercially reasonable and within the ordinary course of business, and save for cash amounts invested in or paid to acquire any share or interest in, or lent to or the actual or contingent liability under any guarantee which in the aggregate do not in any financial year exceed the sum of USD 250,000.00 (or its equivalent in another currency or currencies);

(e) the Joint Venture does not have any material contingent off-balance sheet, environmental, litigation or other liability save to the extent for which adequate reserves are being maintained in accordance with GAAP in respect of which the relevant vendor (if any) has indemnified that member of the Group;

(f) any cash proceeds resulting from the Joint Venture are pledged to the Lender.

"Permitted Loan" means:

(a) any trade credit extended by any member of the Group to its customers on normal commercial terms and in the ordinary course of its trading activities;

(b) a loan made by a member of the Group to another member of the Group prior to the date hereof; or

(c) a loan made by an Obligor to another Obligor provided that a loan made by the Borrower to an Obligor incorporated in a jurisdiction other than Germany does not exceed an amount of USD 1,000,000.00 in aggregate (or its equivalent in another currency or currencies);

(d) a loan made by a member of the Group in the ordinary course of business to an employee or director of any member of the Group if the amount of that loan when aggregated with the amount of all loans to employees and directors by members of the Group does not at any time exceed USD 100,000.00 (or its equivalent in another currency or currencies);

(e) a loan made by an Obligor to another member of the Group which is not an Obligor provided that the aggregate principal amount of all such loans outstanding at any time does not exceed USD 1,000,000.00;

(f) any loan not falling within paragraphs (a) to (e) above the aggregate principal amount of which at any time does not, when aggregated with the aggregate principal amount of the Financial Indebtedness under any such loans exceed USD 250,000.00 (or its equivalent in another currency or currencies).

"**Prepaid Amount**" means any amount in USD which is prepaid in accordance to Clause 7.3.

"**Prepayment Date**" means the date on which the Prepaid Amount is transferred to the Lender.

"**Pre-IPO-Reorganization**" means the contribution and transfer by the Shareholders of all their shares in the Borrower to the Dutch Guarantor in exchange for shares in the Dutch Guarantor upon the completion of which the Dutch Guarantor is the sole shareholder of the Borrower (except for the Borrower holding shares in itself) and the Shareholders are the sole shareholders in the Dutch Guarantor.

"**Pre-IPO-Reorganization Date**" means the date on which the Pre-IPO-Reorganization becomes effective.

"**Proprietary Information**" means the information created, transferred, disclosed, recorded or employed as part of, or otherwise resulting from the activities undertaken pursuant to this Agreement and/or Schedules hereto which constitutes the confidential, proprietary or trade secret information of the disclosing Party. Such information may be of, but not limited to, a business, organizational, technical, financial, marketing, operational, regulatory or sales nature and shall include, without limitation, any and all source codes and information relating to services, methods of operation, price lists, customer lists, technology, designs, specifications or other proprietary information of the business or affairs of a Party, its parent, or its affiliated and subsidiary companies. Proprietary Information may either be in a written or oral form.

"**Qualifying Lender**" has the meaning given to it in Clause 11 (*Tax gross-up and indemnities*).

"**Quotation Day**" means, in relation to any period for which an interest rate is to be determined two Business Days before the first day of that period, unless market practice differs in the Relevant Interbank Market for a currency, in which case the Quotation Day for that currency will be determined by the Lender in accordance with market practice in the Relevant Interbank Market (and if quotations would normally be given by leading banks in the Relevant Interbank Market on more than one day, the Quotation Day will be the last of those days).

"**Relevant Interbank Market**" means in relation to any US-Dollar, the London interbank market.

"**Relevant Liquidity Period**" means the monthly period with respect to which the relevant monthly Cash Report has to be delivered pursuant to Clause 18.3.

"**Repeated Representations**" means each of the representations set out in Clause 17.

"**Representative**" means any delegate, Lender, manager, administrator, nominee, attorney, trustee or custodian.

"Restricted Person" means

(a) any Shareholder;

(b) any shareholder of the Dutch Guarantor;

(c) any managing director or other board member or employee of a Member of the Group;

(d) any joint venture, consortium, partnership or similar arrangement of which any person described in paragraph (a) to (c) above is a member; and

(e) any Affiliate of any person described in paragraph (a) to (c) above except for the Borrower, its Subsidiaries and the Dutch Guarantor.

"**Screen Rate**" means in relation to LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant currency and period as displayed on pages US0001M Index Screen (or any replacement of such page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of US0001M Index Screen. If such page or service ceases to be available, the Lender may specify another page or service displaying the relevant rate after consultation with the Borrower.

"**Security**" means a mortgage, land charge, charge, pledge, lien, assignment or transfer for security purposes, retention of title arrangement or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Security Documents**" means any other security document that may at the time be given as security pursuant to or in connection with any other Finance Document.

"**Shareholders**" means all shareholders of the Borrower except for the Borrower itself holding shares in itself.

"**Shareholders' Agreement**" means any agreement between Shareholders regarding their Shareholding in the Borrower.

"**Subsidiary**" means a subsidiary within the meaning of sections 15 - 17 Stock Corporation Act (*Aktiengesetz*).

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same), including (without prejudice to the generality of the foregoing) any taxes (*Steuern*) and charges accessory to taxes (*steuerliche Nebenleistungen*) respectively within the meaning of Section 3 of the German General Tax Code (*Abgabenordnung*).

"**Total Commitments**" means the aggregate of the Facility A Commitment and the Facility B Commitment, being USD 14,000,000.00 at the date of this Agreement.

"**Transfer Certificate**" means a certificate substantially in the form set out in Schedule 9 (*Form of Transfer Certificate*) or any other form agreed between the Lender and the Borrower.

"**Transfer Date**" means, in relation to an assignment and transfer by way of assumption of contract (*Vertragsübernahme*) pursuant to Clause 22.3 (*Procedure for assignment and transfer by way of assumption of contract* (*Vertragsübernahme*)), the later of:

(a) the proposed Transfer Date specified in the Transfer Certificate; and

(b) the date on which the Lender executes the Transfer Certificate.

"**Unpaid Sum**" means any sum due and payable but unpaid by an Obligor under the Finance Documents.

"**US**" means the United States of America.

"**Utilisation**" means a utilisation of a Facility.

"**Utilisation Date**" means the date of a Utilisation, being the date on which the relevant Loan is to be made.

"**Utilisation Request**" means a notice substantially in the form set out in Part I of Schedule 2 (*Requests*).

"**VAT**" means:

(a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and

(b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

"**Warrant**" means the right to subscribe the underlying stock of the issuing company at a fixed exercise price until the expiry date.

"**2007 Stock Option Plan**" means the "Stock Option Equity Incentive Plan 2007" which has been implemented on the basis of a resolution of the general meeting of the Borrower dated March 27, 2007, allowing the Borrower to grant stock options to the members of the board of directors as well as employees.

1.2 **Construction**

1.2.1 Unless a contrary indication appears, any reference in this Agreement to:

(a) the "**Lender**", any "**Obligor**" or any "**Party**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;

(b) "**assets**" includes present and future properties, revenues and rights of every description;

(c) "**director**" includes any statutory legal representative(s) (*organschaftlicher Vertreter*) of a person pursuant to the laws of its jurisdiction of incorporation, including but not limited to, in relation to a person incorporated or established in Germany, a managing director (*Geschäftsführer*) or member of the board of directors (*Vorstand*);

(d) a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;

(e) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(f) a "**person**" includes any individual, firm, Borrower, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

(g) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

(h) a provision of law is a reference to that provision as amended or re-enacted; and

(i) a time of day is a reference to Frankfurt am Main, Germany time.

1.2.2 Section, Clause and Schedule headings are for ease of reference only.

1.2.3 Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.

1.2.4 A Default (other than an Event of Default) is "continuing" if it has not been remedied or waived and an Event of Default is "continuing" if it has not been remedied or waived.

1.3 **Dutch Terms**

1.3.1 In this Agreement, where it relates to a Dutch entity, a reference to:

(a) unless a contrary indication appears, a "**director**", in relation to a Dutch Obligor, means a managing director (*bestuurder*) and "**board of directors**" means its managing board (*bestuur*);

(b) a "**necessary action to authorise**" where applicable, includes without limitation any action required to comply with the Dutch Works Councils Act (*Wet op de ondernemingsraden*); and

(c) "**Security**" includes any mortgage (*hypotheek*), pledge (*pandrecht*), retention of title arrangement (*eigendomsvoorbehoud*), right of retention (*recht van retentie*), any right to reclaim goods (*recht van reclame*) and, in general, any right in rem (*beperkt recht*), created for the purpose of granting security (*goederenrechtelijk zekerheidsrecht*);

(d) a "**winding-up**", "**administration**" or "**dissolution**" includes a Dutch entity being declared bankrupt (*failliet verklaard*) or dissolved (*ontbonden*);

(e) a "**moratorium**" includes *surseance van betaling* and "a moratorium is declared" or "occurs" includes *surseance verleend*;

(f) any "**step**" or "**procedure**" taken in connection with insolvency proceedings includes a Dutch entity having filed a notice under Section 36 of the Dutch 1990 Tax Collection Act (*Invorderingswet 1990*) (whether or not pursuant to section 60 of the Act on the Financing of Social Insurances (*Wet financiering sociale verzekeringen*));

(g) a "**liquidator**" includes a *curator*;

(h) an "**administrator**" includes a *bewindvoerder*; and

(i) an "**attachment**" includes a *beslag*.

1.4 **Currency symbols and definitions**

"**$**", "**USD**" and "**dollars**" denote the lawful currency of the United States of America.

This Agreement is made in the English language. For the avoidance of doubt, the English language version of this Agreement shall prevail over any translation of this Agreement. However, where a German translation of a word or phrase appears in the text of this Agreement, the German translation of such word or phrase shall prevail.

2. THE FACILITIES

2.1 The Facilities

Subject to the terms of this Agreement, the Lender shall make available to the Borrower:

2.1.1 a term loan facility in an aggregate amount equal to the Facility A Commitment; and

2.1.2 a term loan facility in an aggregate amount equal to the Facility B Commitment.

2.2 Deduction for the Warrants

2.2.1 The disbursed amount under Facility A shall be reduced by a holdback of an amount equal to USD 935,000.00 (converted to EUR according to the final quotation (*Schlusskurs*) of the Frankfurt am Main stock exchange on the day of execution of this Agreement) divided by 30.8861. If the Dutch Warrants are issued, the amount held back shall be disbursed to the Borrower. If the German Warrants are issued for a nominal amount less than the amount held back, the difference shall be disbursed to the Borrower.

2.2.2 If German Warrants are issued in order to fulfil the conditions precedent with respect to Facility B, the disbursed amount under Facility B shall be reduced by a holdback in the nominal amount of the German Warrants issued minus the amount already held back with respect to Facility A. If the Dutch Warrants are issued, no deduction shall be made and any amount held back shall be disbursed to the Borrower.

3. PURPOSE

3.1 Purpose

The Borrower shall apply all amounts borrowed by it under the Facility towards its general corporate purposes.

3.2 Monitoring

The Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

4.1.1 The Borrower may not deliver an Utilisation Request regarding Facility A unless the Lender has received all of the documents and other evidence listed in Schedule 1 (Conditions precedent) Part I (Conditions precedent Facility A) in form and substance reasonably satisfactory to the Lender. The Lender shall notify the Borrower promptly upon being so satisfied. For the avoidance of doubt, the Borrower shall procure that the Lender receives as soon as practical after the execution of this Agreement all of the documents and other evidence listed in Schedule 1 (Conditions precedent) Part I (Conditions precedent Facility A) in form and substance reasonably satisfactory to the Lender and shall then, without undue delay draw the Facility A Loan.

4.1.2 The Borrower may not deliver an Utilisation Request regarding Facility B unless (i) the Lender has received all of the documents and other evidence listed in Schedule 1 (Conditions precedent) Part II (Conditions precedent Facility B) in form and substance reasonably satisfactory to the Lender and (ii) in case the IPO has not been completed prior to the beginning of the Availability Period for Facility B, the Amount of the Facility B Commitment has been determined.

4.2 Maximum number of Loans

The Borrower may not deliver a Utilisation Request if as a result of the proposed Utilisation four or more Facility B Loans would be outstanding.

SECTION 3
UTILISATION

5. UTILISATION

5.1 Delivery of a Utilisation Request

The Borrower may utilise a Facility by delivery to the Lender of a duly completed Utilisation Request.

5.2 Completion of a Utilisation Request

5.2.1 Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:

(a) it identifies the Facility to be utilised;

(b) the proposed Utilisation Date is a Business Day within the Availability Period applicable to that Facility;

(c) the currency and amount of the Utilisation comply with Clause 5.3 (*Amount*); and

(d) the proposed Interest Period complies with Clause 9 (*Interest Periods*).

5.2.2 Only one Loan may be requested in each Utilisation Request.

5.3 Amount

The amount of the proposed Loan must be a minimum of USD 5,500,000.00 for Facility A and USD 2,000,000.00 for Facility B or in either case, if less, the Available Facility. For the purpose of this Clause 5.3 (*Amount*), Clause 2.2 (*Deduction for the Warrants*) shall be disregarded.

5.4 Cancellation of Commitment

5.4.1 The Facility A Commitments which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period for Facility A.

5.4.2 The Facility B Commitments which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period for Facility B.

SECTION 4
REPAYMENT, PREPAYMENT AND CANCELLATION

6. REPAYMENT

6.1 Repayment of Facility A Loans

The Borrower shall repay the Facility A Loans in monthly instalments in the amount of USD 200,000.00, the first time the 21st month following the First Utilisation Date and the last time the 47th month following the First Utilisation Date. The remaining outstanding balance of the Facility A Loan shall be repaid 48 months after the First Utilisation Date.

The Borrower may not re-borrow any part of the Facility A which is repaid.

6.2 Repayment of Facility B Loans

The Borrower shall repay the Facility B Loans on the Maturity Date together with all interest accrued and outstanding. The Borrower may not re-borrow any part of the Facility B which is repaid.

7. PREPAYMENT AND CANCELLATION

7.1 Illegality

If, in any applicable jurisdiction, it becomes unlawful for the Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in any Loan upon the Lender notifying the Borrower, each Available Commitment of the Lender will be immediately cancelled.

7.2 Change of control

7.2.1 If at *any* time any shareholder of the Borrower gains control of the Borrower, other than by the Pre-IPO-Reorganization:

(a) the Borrower shall promptly notify the Lender upon becoming aware of that event;

(b) the Total Commitments will be cancelled and all such outstanding amounts will become due and payable within twenty (20) Business Days from the date of such control occurring.

7.2.2 If any shareholder of the Dutch Guarantor gains control of the Dutch Guarantor after the Pre-IPO-Reorganization Date:

(a) the Borrower and the Dutch Guarantor shall promptly notify the Lender upon becoming aware of that event;

(b) the Total Commitments will be cancelled and all such outstanding amounts will become due and payable within twenty (20) Business Days from the date of such control occurring.

7.2.3 For the purpose of paragraph (a) above, control shall mean any shareholder of the Borrower or the Dutch Guarantor (i) owning (directly or indirectly) more than 50% of the voting rights and issued share capital of the Borrower on a fully diluted or non-diluted basis and/or (ii) controlling the composition of the majority of the board of directors or the supervisory board or equivalent management body of the Borrower.

7.3 Voluntary prepayment of Facility Loans

The Borrower to which a Facility Loan has been made may, if it gives the Lender not less than 5 Business Days' (or such shorter period as the Lender may agree) prior notice, prepay the whole or any part of any Facility Loan.

7.4 Early Prepayment Fee

In the case of any prepayment of the Facility, the Borrower shall pay a fee ("**Early Prepayment Fee**") depending of the Prepayment Date as follows:

Prepayment Period	**Prepaid Fee**
In the period from 1 month after the First Utilisation Date to 12 months after the First Utilisation Date	Five per cent (5%) of the Prepaid Amount
In the period from 13 months after the First Utilisation Date to 24 months after the First Utilisation Date	Three per cent (3%) of the Prepaid Amount
In the period from 25 months after the First Utilisation Date to 35 months after the First Utilisation Date	Two per cent (2%) of the Prepaid Amount
In the period from 36 months after the First Utilisation Date to Maturity Date	One per cent (1%) of the Prepaid Amount

7.5 Restrictions

7.5.1 Any prepayment given by any Party under this Clause 7 shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.

7.5.2 Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and the Prepayment Fee.

7.5.3 The Borrower may not reborrow any part of the Facility which is prepaid.

7.5.4 Without limiting paragraph 7.3 above, the Borrower shall not repay or prepay all or any part of the Loans or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.

7.5.5 No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.

7.6 Application of prepayments

Any prepayment shall be applied in the following order:

7.6.1 first, in payment of any costs or expenses due to the Lender under the Finance Documents including; then

7.6.2 secondly, in prepayment of any accrued interest; then

7.6.3 thirdly, in payment of the Prepayment Fee; then

7.6.4 fourthly, in repayment of Loans outstanding under the Facility.

For the avoidance of doubt, no further interest shall accrue with respect to any part of the Loans that has been prepaid.

SECTION 5
COSTS OF UTILISATION

8. INTEREST

8.1 Calculation of interest

Loans outstanding under the Facility will accrue interest at an annual rate equal to the Margin plus the LIBOR.

8.2 Payment of interest

The Borrower shall pay accrued interest on that Loan on the last day of each Interest Period.

8.3 Default interest

If an Event of Default occurs, interest shall accrue in the period from and including the date from this occurrence of the Event of Default to the end of the occurrence of this Event of Default (whether waived or remedied) at a rate which is three per cent (3%) per annum higher than the rate which would have been payable.

9. INTEREST PERIODS

9.1 Each Interest Period will, subject to this Clause 9, have a duration of one (1) Month.

9.2 An Interest Period for a Loan shall not extend beyond the Maturity Date applicable to its Facility.

9.3 Each Interest Period shall start on the Utilisation Date or (if already made) on the last day of its preceding Interest Period.

10. FEES

10.1 Commitment fee

10.1.1 Beginning on November 1, 2014, the Borrower shall pay to the Lender a fee of one per cent (1%) per annum on that Lender's Available Commitment. For the avoidance of doubt, no commitment fee shall apply after December 31, 2015.

10.2 Arrangement fee

10.2.1 The Borrower shall pay to the Lender an arrangement fee in the amount of two per cent (2%) of the Facility A upon the first utilisation of Facility A.

10.2.2 The Borrower shall pay to the Lender an arrangement fee in the amount of two per cent (2%) of each Loan under Facility B upon Utilisation of the respective Loan.

10.2.3 The arrangement fees pursuant to this Clause 10.2 shall be deducted from the disbursement of the relevant Loans.

10.3 Each fee under this Clause will be non-refundable when it is paid by the Borrower.

SECTION 6
ADDITIONAL PAYMENT OBLIGATIONS

11. TAX GROSS UP AND INDEMNITIES

11.1 Definitions

11.1.1 In this Agreement:

"**Protected Party**" means a Lender, any beneficial owner and (if the Lender is an estate, trust, nominee, fund, partnership, limited liability company, corporation or other person) any direct and indirect fiduciary, settlor, beneficiary, partner of, member, shareholder or other related person of the relevant Lender, which is or will be subject to any liability, or required to make any payment, for or on account of any current or future Tax in relation to a sum or benefit received or receivable (or any sum or benefit deemed for the purposes of Tax to be received or receivable) under a Finance Document.

"**Qualifying Lender**" means a Lender which, in respect of interest payable by the Borrower, is:

(i) (other than by virtue of a Treaty) able to receive such interest without a Tax Deduction being imposed by the law of Germany; or

(ii) a Treaty Lender.

"**Tax Credit**" means a credit against, relief or remission for, or repayment of any Tax.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under or with respect to a Finance Document.

"**Tax Payment**" means either the increase in a payment made by an Obligor to a Lender under Clause 11.2 (*Tax gross-up*) or a payment under Clause 11.3 (*Tax indemnity*).

"**Treaty Lender**" means a Lender:

(iii) (A) which (for the purposes of the Treaty) is treated by the Source State as a resident of a Treaty State by which any interest under or in connection with a Finance Document is (considered to be) derived and beneficially owned, or

(B) whose direct and indirect fiduciaries, settlors, beneficiaries, partners, members, shareholders or other related persons by which

any interest under or in connection with a Finance Document is (considered to be) derived and beneficially owned (for the purposes of the Treaty), are all treated by the Source State as residents of a Treaty State (for the purposes of the Treaty); and

(iv) which also satisfies or, in case of (i)(B) above, whose related persons all satisfy any other conditions specified in the Treaty for the obtaining of the Treaty Benefit (including without limitation that such resident does not carry on a business in the jurisdiction in which the Obligor is resident for tax purposes through a permanent establishment with which that Lender's participation in the Loan is effectively connected (i.e. the debt claim, in respect of which the interest is paid, forms part of the business property of such permanent establishment) and that such resident must be a "qualified person" as often defined in the Treaty).

"**Treaty State**" means a jurisdiction having a double taxation agreement (a "**Treaty**") with the jurisdiction in which the Borrower is treated as resident for tax purposes (the "**Source State**") which makes provision for full exemption for taxes on income imposed by such jurisdiction on interest payable by the Borrower to the Lender (the "**Treaty Benefit**").

Unless a contrary indication appears, in this Clause 11 a reference to "**determines**" or "**determined**" means a determination made in the absolute discretion of the person making the determination.

11.2 Tax gross-up

11.2.1 Each Obligor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.

11.2.2 Each Obligor shall promptly upon becoming aware that an Obligor (or any disbursing agent or other person or body) must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lender accordingly and state the estimated amount of the Tax Payment such Obligor must make.

11.2.3 If a Tax Deduction is required by law to be made by an Obligor (or any disbursing agent or other person or body), the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction, including any Tax Deduction from such increased amount) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

11.2.4 If an Obligor (or any disbursing agent or other person or body) is required to make a Tax Deduction, that Obligor (or any disbursing agent or other person or body) shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

11.2.5 Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Lender entitled to the payment documentation and evidence reasonably satisfactory to that Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

11.3 Tax indemnity

11.3.1 The Borrower shall (within three Business Days of demand by the Lender) pay to a Protected Party an amount equal to the loss, liability or cost which the Lender determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document.

11.3.2 Clause 11.3.1 above shall not apply:

(a) with respect to any Tax assessed on a Lender:

(i) under the law of the jurisdiction in which that Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Lender is treated as resident for tax purposes, excluding however any Tax assessed under such law on a Tax Payment; or

(ii) under the law of the jurisdiction in which that Lender carries on a business through a permanent establishment with which that Lender's participation in the Loan is effectively connected, excluding however any Tax assessed under such law on a Tax Payment,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Lender; or

(b) to the extent a loss, liability or cost is compensated for by an increased payment under Clause 11.2 (*Tax* gross-*up*).

11.4 Tax Credit

If an Obligor makes a Tax Payment and the relevant Lender determines that:

11.4.1 a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and

11.4.2 that Lender has obtained and utilised that Tax Credit,

the Lender shall pay an amount to the Obligor which that Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Obligor.

11.5 Stamp taxes

The Borrower shall pay and, within three Business Days of demand, indemnify each Lender against any cost, loss or liability that Lender incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

11.6 VAT

11.6.1 All amounts set out or expressed to be payable under a Finance Document by any Party to a Lender which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply, and accordingly, subject to Clause 11.6.2 below, if VAT is or becomes chargeable on any supply made by any Lender to any Party under a Finance Document and such Lender is required to account to the relevant tax authority for the VAT, that Party must pay to such Lender (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of the VAT (and such Lender must promptly provide an appropriate VAT invoice to that Party).

11.6.2 If VAT is or becomes chargeable on any supply made by any Lender (the "**Supplier**") to any other Lender (the "**Recipient**") under a Finance Document, and any Party other than the Recipient (the "**Relevant Party**") is required by the terms of any Finance Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):

(a) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay

to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this paragraph (i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and

(b) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.

11.6.3 Where a Finance Document requires any Party to reimburse or indemnify a Lender for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Lender for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Lender determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

11.6.4 In relation to any supply made by a Lender to any Party under a Finance Document, if reasonably requested by such Lender, that Party must promptly provide such Lender with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Lender's VAT reporting requirements in relation to such supply.

11.6.5 If the supply under this agreement is VAT-exempted, the Lender or any other Party will not opt for a VAT-taxable supply.

11.7 Statute of limitation

Any claims under this Clause 11 shall become time-barred (*verjähren*) six (6) months after the final and formally non-appealable assessment (*formelle und materielle Bestandskraft*) of the respective Tax.

12. INCREASED COSTS

12.1 Increased costs

12.1.1 Subject to Clause 12.2 (*Exceptions*) and Clause 12.3 (*Termination Right*) the Borrower shall, within five (5) Business Days of a demand by the Lender (which must including a calculation of the Increased Costs and documents evidencing the Increased Costs) pay for the account of the Lender the amount of any Increased Costs incurred by that Lender or any of its Affiliates as a result of (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation or (ii) compliance with any new law or regulation made after the date of this Agreement.

12.1.2 In this Agreement "**Increased Costs**" means:

(a) a reduction in the rate of return from a Facility or on a Lender's (or its Affiliate's) overall capital;

(b) an additional or increased cost; or

(c) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Lender or any of its Affiliates to the extent that it is attributable to that Lender having entered into its Commitment or funding or performing its obligations under any Finance Document.

12.2 Exceptions

12.2.1 Clause 12.1 (*Increased costs*) does not apply to the extent any Increased Cost is:

(a) attributable to a Tax Deduction required by law to be made by the Borrower;

(b) compensated for by an increase in the LIBOR;

(c) compensated for by Clause 11 (*Tax indemnity*) (or would have been compensated for under Clause 11 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in Clause 11.3.2 (*Tax indemnity*) applied); or

(d) attributable to the wilful or grossly negligent breach by the relevant Lender or its Affiliates of any law or regulation.

12.2.2 In this Clause 12.2, a reference to a "**Tax Deduction**" has the same meaning given to that term in Clause 11.1 (*Definitions*).

12.3 Termination Right

If the Lender demands the payment of Increased Costs pursuant to Clause 12.1 (*Increased Costs*) (whether the claim is justified or unjustified), the Borrower may within five (5) Business Days, by giving notice to the Lender, decide to prepay all outstanding Facility Loans. In this case, all outstanding Facility Loans become due and payable within twenty (20) Business Days and the remaining Commitment shall be cancelled immediately. If the Borrower decides to prepay under this Clause 12.3 (*Termination Right*), the Early Prepayment Fee does not apply and the Lender's claim for increased costs pursuant to Clause 12.1 (*Increased Costs*) shall be void.

13. OTHER INDEMNITIES

The Borrower shall (or shall procure that an Obligor will), within ten Business Days of demand, indemnify each Lender against any cost, loss or liability incurred by that Lender as a result of:

13.1.1 the occurrence of any Event of Default;

13.1.2 a failure by an Obligor to pay any amount due under a Finance Document on its due date;

13.1.3 funding, or making arrangements to fund, its participation in a Loan requested by the Borrower in a Utilisation Request not made in accordance with one or more of the provisions of this Agreement (other than by reason of default or negligence by the Lender alone);

13.1.4 a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower;

13.1.5 investigating any event which it reasonably believes is a Default; or

13.1.6 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.

14. MITIGATION BY THE LENDER

14.1 Mitigation

14.1.1 The Lender shall, in prior consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled

pursuant to, any of Clause 7.1 (*Illegality*) or Clause 12 (*Increased costs*) including (but not limited to) transferring its rights and obligations under the Finance Documents.

14.1.2 Clause 14.1.1 above does not in any way limit the obligations of the Borrower under the Finance Documents.

14.2 Limitation of liability

14.2.1 The Borrower shall promptly indemnify the Lender for all out of pocket costs and expenses reasonably incurred by the Lender as a result of steps taken by it under Clause 14.1 (*Mitigation*).

14.2.2 The Lender is not obliged to take any steps under Clause 14.1 (*Mitigation*) if, in the opinion of the Lender (acting reasonably), to do so might be prejudicial to it.

15. COSTS AND EXPENSES

15.1 Transaction expenses

The Borrower shall promptly on demand pay the Lender the amount of all out of pocket costs and expenses (including legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing and execution of:

15.1.1 this Agreement, the Security Documents and any other documents referred to in this Agreement; and

15.1.2 any other Finance Documents executed after the date of this Agreement.

The transaction expenses shall, subject to Clause 15.4 (*Expense Deposit*), be deducted from the disbursement of the Facility A Loan. Prior to making any deductions, the Lender shall provide the Borrower copies of the invoices of third party service providers engaged in connection herewith. It is understood, that, should more than one provision of this Agreement and/or the Security Documents provide for the reimbursement of incurred costs and expenses, the Borrower shall only reimburse the Lender once.

15.2 Amendment costs

If the Borrower requests an amendment, waiver or consent the Borrower shall, within three Business Days of demand, reimburse the Lender for the amount of all out of pocket costs and expenses (including legal fees) reasonably incurred by the Lender in responding to, evaluating, negotiating or complying with that request or requirement.

15.3 Enforcement costs

The Borrower shall, within three Business Days of demand, pay to the Lender the amount of all out of pocket costs and expenses (including legal fees) incurred by the Lender in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

15.4 Expense Deposit

The Borrower has already provided the Lender with an expense deposit of USD 40,000.00, from which all amounts due under this Clause 15 (*Costs and Expenses*) will be deducted. The Borrower shall only make payments under this Clause 15 (*Costs and Expenses*) once the expense deposit has been fully used up and to the extent the amount due has not been deducted from the expense deposit.

SECTION 7
GUARANTEE

16. GUARANTEE AND INDEMNITY

16.1 Guarantee (*Garantie*) and indemnity (*Ausfallhaftung*)

Each Guarantor irrevocably and unconditionally jointly and severally (*gesamtschuldnerisch*):

16.1.1 guarantees (*garantiert*) by way of an independent payment obligation (*selbständiges Zahlungsversprechen*) to each Lender to pay to that Lender any amount of principal, interest, costs, expenses or other amount under or in connection with the Finance Documents that is due and has not been fully and irrevocably paid by the Borrower; the payment shall be due (*fällig*) within five (5) Business Days of a written demand by the Lender (or the Lender on its behalf) stating the sum demanded from that Guarantor and that such sum is an amount of principal, interest, costs, expenses or other amount under or in connection with the Finance Documents that is due and has not been fully and irrevocably paid by the Borrower; and

16.1.2 undertakes vis-à-vis each Lender to indemnify (*schadlos halten*) that Lender against any cost, loss or liability suffered by that Lender if any obligation of the Borrower under or in connection with any Finance Document or any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Lender would otherwise have been entitled to recover (*Ersatz des positiven Interesses*) and that claim shall be due (*fällig*) within three Business Days of a written demand by that Lender.

For the avoidance of doubt this guarantee and indemnity does not constitute a guarantee upon first demand (*Garantie auf erstes Anfordern*) and, in particular, receipt of such written demand shall not preclude any rights and/or defences the Guarantor may have with respect to any payment requested by a Lender under this guarantee and indemnity.

16.2 Continuing and independent guarantee and indemnity

This guarantee and indemnity is independent and separate from the obligations of the Borrower and is a continuing guarantee and indemnity which will extend to the ultimate balance of sums payable by the Borrower under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

The guarantee and indemnity shall extend to any additional obligations of the Borrower resulting from any amendment, novation, supplement, extension, restatement or replacement of any Finance Documents, including without limitation any extension of or increase in any facility or the addition of a new facility under any Finance Document.

16.3 Reinstatement

If any payment by an Obligor or any discharge given by a Lender (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

16.3.1 the liability of each Obligor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

16.3.2 each Lender shall be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred.

16.4 Excluded defences

16.4.1 The obligations of each Guarantor under this Clause 16 will not be affected by an act, omission, matter or thing which relates to the principal obligation (or purported obligation) of the Borrower and which would reduce, release or prejudice any obligations of a Guarantor under this Clause 16, including any personal defences of the Borrower (*Einreden des Hauptschuldners*) or any right of revocation (*Anfechtung*) or set-off (*Aufrechnung*) of the Borrower.

16.4.2 The obligations of each Guarantor under this Clause 16 are independent from any other security or guarantee which may have been or will be given to the Lender. In particular, the obligations of each Guarantor under this Clause 16 will not be affected by any of the following:

(a) the release of, or any time (*Stundung*), waiver or consent granted to, any other Obligor from or in respect of its obligations under or in connection with any Finance Document;

(b) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or any other person or any failure to realise the full value of any security;

(c) any incapacity or lack of power, authority or legal personality of or dissolution or a deterioration of the financial condition of any other Obligor; or

(d) any unenforceability, illegality or invalidity of any obligation of any other Obligor under any Finance Document.

16.4.3 For the avoidance of doubt nothing in this Clause 16 shall preclude any defences that any Guarantor (in its capacity as Guarantor only) may have against the Lender that the guarantee and indemnity does not constitute its legal, valid, binding or enforceable obligations.

16.5 Immediate recourse

The Lender will not be required to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 16. This applies irrespective of any provision of a Finance Document to the contrary.

16.6 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, the Lender may:

16.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by it in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and

16.6.2 hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor's liability under this Clause 16.

16.6.3 For the avoidance of doubt, paragraph 7.6 remains unaffected.

16.7 Deferral of Guarantors' rights

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Lender otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 16:

16.7.1 to be indemnified by an Obligor;

16.7.2 to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;

16.7.3 to exercise any right of set-off against any Obligor; and/or

16.7.4 to take the benefit (in whole or in part and whether by way of legal subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender.

If a Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with Clause 24 (*Payment mechanics*).

16.8 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender.

16.9 Limitations - Dutch Obligors

Notwithstanding the other provisions of this Agreement, no Dutch Obligor shall be liable under this Agreement to the extent that, if it were so liable, its entry into this Agreement would violate section 2:98c BW.

SECTION 8
REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

17. REPRESENTATIONS

Each Obligor makes the representations and warranties set out in this Clause 17 to each Lender on the date of this Agreement.

17.1 Status

17.1.1 It is a corporation, limited liability company or partnership with limited liability, duly incorporated or, in the case of a partnership, established and validly existing under the law of its jurisdiction of incorporation.

17.1.2 It and each of its Subsidiaries has the power to own its assets and carry on its business as it is being conducted.

17.2 Binding obligations

The obligations expressed to be assumed by it in each Finance Document are, subject to any general principles of law limiting its obligations, legal, valid, binding and enforceable obligations.

17.3 Non-conflict with other obligations

The entry into and performance by it, and the transactions contemplated by, the Finance Documents do not and will not conflict with:

17.3.1 any law or regulation applicable to it;

17.3.2 its or any of its Subsidiaries' constitutional documents; or

17.3.3 any agreement or instrument binding upon it or any of its Subsidiaries or any of its or any of its Subsidiaries' assets.

17.4 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.

17.5 Validity and admissibility in evidence

All Authorisations required or reasonably desirable:

17.5.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party; and

17.5.2 to make the Finance Documents to which it is a party admissible in evidence in its jurisdiction of incorporation,

have been obtained or effected and are in full force and effect.

17.6 Governing law and enforcement

17.6.1 The choice of German law as the governing law of the Finance Documents will be recognised and enforced in its jurisdiction of incorporation.

17.6.2 Any judgment obtained in Germany in relation to a Finance Document will be recognised and enforced in its jurisdiction of incorporation.

17.7 Tax

As of the date hereof, the Lender is a Qualifying Lender and no Obligor is required to make any Tax Payment (as defined in Clause 1.1. (Definitions)) in relation to any sum or benefit (i) paid or payable (or any sum or benefit deemed for the purposes of Tax to be paid or payable) by it under or in connection with a Finance Document or (ii) received or receivable (or any sum or benefit deemed for the purposes of Tax to be received or receivable) by the Lender under or in connection with a Finance Document.

17.8 No default

17.8.1 No Event of Default is continuing or might reasonably be expected to result from the making of any Utilisation.

17.8.2 No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which might have a Material Adverse Effect.

17.9 No breach of law

It has not (and none of its Subsidiaries has) breached any law or regulation, including without limitation environmental laws and regulations, which breach has, or would reasonably be expected to have, a Material Adverse Effect.

17.10 Financial statements

17.10.1 Its Original Financial Statements were prepared in accordance with GAAP of the German Commercial Code (*Handelsgesetzbuch*) consistently applied.

17.10.2 Its Original Financial Statements fairly represent its financial condition as at the end of the relevant financial year and operations during the relevant financial year.

17.11 Pari passu ranking

Its payment obligations under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

17.12 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect has or have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

17.13 Security

17.13.1 Each Security Document creates (or, once entered into, will create) in favour of the Lender, the Security which it is expressed to create with the ranking it is expressed to have.

17.13.2 The constitutional documents of the Borrower and its Subsidiaries do not and would not restrict or inhibit in any manner any transfer of any shares of the Borrower and its Subsidiaries which are expressed to be (or are required by this Agreement to be or become) subject to any Security under any Security Document.

17.14 Ownership

Each member of the Group is the legal owner (*uneingeschränktes Eigentum*) and beneficial owner (*wirtschaftliches Eigentum*) of all the assets other than assets to which an employee has rights under the Employee Invention Act (*Arbeitnehmererfindungsgesetz*) over which it purports to create Security pursuant to any Security Document, free from any Security other than Security listed in Schedule 3 (*Existing Security*) or permitted according to Clause 20.8.3.

17.15 Assets

Each member of the Group has legal title (*uneingeschränktes Eigentum*) and beneficial ownership (*wirtschaftliches Eigentum*) to, or valid leases or licences of, or is otherwise entitled to use (in each case, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted other than assets to which an employee has rights under the Employee Invention Act (*Arbeitnehmererfindungsgesetz*) or unless permitted by Clause 20.8.3.

17.16 Group Structure

The Group Structure Chart shows:

17.16.1 each member of the Group and all Shareholders (and the percentage of the issued share capital held by that member), in each case as at the date of this Agreement;

17.16.2 the jurisdiction of incorporation or establishment of each person shown in it; and

17.16.3 the status of each person shown in it which is not a limited liability company or corporation.

17.17 No Financial Indebtedness, Guarantees or Security

17.17.1 No member of the Group has any Financial Indebtedness other than Permitted Financial Indebtedness.

17.17.2 No member of the Group has issued any guarantee other than a Permitted Guarantee.

17.17.3 No Security exists over all or any assets of any member of the Group, other than listed in Schedule 3, the LLS Interruption License or permitted according to paragraph 20.8.3.

17.18 Shares

17.18.1 The shares of each member of the Group which are expressed to be (or are required by this Agreement to be or become) subject to any Security under any Security Document are issued, fully paid, non-assessable and freely transferable and constitute shares in the capital of limited companies, and there are no moneys or liabilities outstanding or payable in respect of any such share.

17.18.2 No person has or is entitled to any conditional or unconditional option or other right to call for the issue or allotment of, subscribe for, purchase or otherwise acquire any share capital of the Borrower and each of its Subsidiaries other than provided for in the Shareholders' Agreement, the 2007 Stock Option Plan and the Carve-Out Agreement and other than through the IPO.

17.18.3 There are no agreements in force or corporate resolutions passed which require or might require the present or future issue or allotment of any share capital of the Borrower and each of its Subsidiaries (including any option or right of pre-emption, conversion or exchange), except as provided for in the Shareholders' Agreement, the 2007 Stock Option Plan and the Carve-Out Agreement and as in connection with the Pre-IPO-Reorganization.

17.18.4 The shares of any member of the Group which are expressed to be (or are required by this Agreement to be or become) subject to any Security under any Security Document constitute all the share capital of the relevant member of the Group.

17.19 Intellectual Property

17.19.1 Each member of the Group owns (subject to the provisions of the Employee Inventions Act (*Arbeitnehmererfindungsgesetz*)) or has licensed to it on arm's length terms, provided that licenses between Borrower and AbCheck are in accordance with the existing framework agreement on terms substantially similar to the terms that have been applicable in the past, all material Intellectual Property for the conduct of its business as it is being, and is proposed to be, conducted.

17.19.2 Each member of the Group has taken all necessary action (including payments of fees) to safeguard, maintain in full force and effect and preserve its ability to enforce all such Intellectual Property.

17.19.3 No member of the Group has infringed any material Intellectual Property of any third party in any material respect.

17.19.4 There has been no material infringement or threatened or suspected infringement of or challenge to the validity of any Intellectual Property owned by or licensed to any member of the Group.

17.19.5 No disclosure has been or will be made of any material trade secret which is Intellectual Property and is owned by or licensed to any member of the Group other than under enforceable confidentiality undertakings.

17.20 Insurances

17.20.1 The insurances required by Clause 20.17 (*Insurance*) are in full force and effect as required by this Agreement.

17.20.2 No event or circumstance has occurred, and there has been no failure to disclose a fact, which would entitle any insurer to reduce or avoid its liability under any such insurance where such event, circumstance or failure would reasonably be expected to have a Material Adverse Effect.

17.21 Material Adverse Effect

No Material Adverse Effect has occurred since March 31, 2014.

17.22 Documents

17.22.1 The documents provided to the Lender under Clause 4.1 (*Initial conditions precedent*) are true, complete and accurate and in full force and effect, in each case as at the date any such documents are provided to the Lender.

17.22.2 Any copy of a document provided to the Lender under Schedule 1 is a true, complete and accurate copy of the original document and the original document was in full force and effect, in each case as at the date any such document is provided to the Lender.

17.23 No Insolvency

17.23.1 No member of the Group except for AbCheck is unable or admits inability to pay its debts as they fall due, suspends, or threatens to suspend, making payments on any of its debts (or any class of them) or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (or any class of them) with a view to rescheduling any of its indebtedness.

17.23.2 The value of the assets of any member of the Group except for AbCheck is not less than its liabilities (taking into account contingent and prospective liabilities).

17.23.3 No moratorium has been declared in respect of any indebtedness of any member of the Group except for AbCheck.

17.23.4 No corporate action, legal proceeding or other procedure or step described in Clause 21.7 (*Insolvency proceedings*) or creditor's process described in Clause 21.8 (*Creditor's process*) has been taken or, to the best knowledge of the Borrower, threatened in relation to a member of the Group except for AbCheck.

17.24 Repetition

17.24.1 The Repeated Representations shall be made by the Borrower on its own behalf and on behalf of the other Obligors (under a power of attorney (*Vollmacht*) granted to it by the Obligors pursuant to paragraph (b) below) by reference to the facts and circumstances then existing (unless otherwise stated in the respective representation) on;

(a) the date of each Utilisation Request;

(b) in the case of an Additional Obligor, the day on which the Additional Obligor becomes an Additional Obligor.

In addition, the Repeated Representations shall be deemed to be made by each Obligor by reference to the facts and circumstances then existing (unless otherwise stated in the respective representation) on the Utilisation Date.

Each Obligor (other than the Borrower) hereby empowers (*bevollmächtigt*) the Borrower to make the Repeated Representations on its behalf as its attorney (*Stellvertreter*). To the extent permissible under its constitutional documents and under the applicable law, each Obligor (other than the Borrower) hereby relieves the Borrower from the restrictions pursuant to section 181 of the Civil Code (*Bürgerliches Gesetzbuch*) for the purpose of making the Repeated Representations on its behalf as attorney (*Stellvertreter*).

18. INFORMATION UNDERTAKINGS

The undertakings in this Clause 18 will be effective from the earlier of the date of the closing of the IPO and November 1, 2014, and will remain in force for so long as any amount is outstanding under the Finance Documents or any Commitment is in force. The Lender agrees that any trading in securities of the Borrower following receipt of Proprietary Information may only be done in compliance with all applicable securities laws.

18.1 Financial statements

The Borrower shall supply to the Lender:

18.1.1 as soon as the same become available, but in any event within 180 days after the end of each of its financial years:

(a) its audited unconsolidated financial statements and, prior to the Pre-IPO-Reorganization Date, the audited consolidated financial statements of the Group for that financial year; and

(b) the audited unconsolidated financial statements of each Obligor for that financial year; and

18.1.2 as soon as the same become available, but in any event within 30 days after the end of each quarter of each of its financial years:

(a) its financial statements and the consolidated financial statements of the Group for that quarter of the financial year; and

(b) the financial statements of each Obligor for that quarter of the financial year.

18.1.3 as long as the IPO has not been completed, no later than 30 days after the end of each Month:

unconsolidated financial statements for each Obligor for that Month.

18.1.4 all documents dispatched by the Borrower to its shareholders (or any class of them) or its creditors generally at the same time as they are dispatched;

18.1.5 promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against any member of the Group, and which might, if adversely determined, have a Material Adverse Effect.

18.2 Notification of Default

18.2.1 The Borrower shall notify the Lender of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

18.2.2 Promptly upon a reasonable request by the Lender, the Borrower shall supply to the Lender a certificate signed by its members of the management board (*Vorstand*) on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

18.3 Cash Reports

The Borrower shall supply to the Lender the Cash Report together with the unconsolidated financial statements subject to paragraph 18.1.3 for the respective month.

19. FINANCIAL COVENANTS

19.1 Financing Milestones

By December 31, 2015, the Borrower shall

19.1.1 complete the IPO; or

19.1.2 have received an aggregate amount of USD 20,000.00 resulting from New Equity Investment and from New Business Development Transactions Proceeds.

19.2 Development Milestones

Any two of the three milestones determined in Schedule 6 attached hereto must be achieved by the stated date for each, with reasonable documentary evidence provided to the Lender.

19.3 Cash Cover

The Borrower shall ensure that the Liquidity Amount during each Relevant Liquidity Period is not less than USD 2,000,000.00 ("**Minimum Liquidity Amount**") and, for the avoidance of doubt, the Minimum Liquidity Amount shall be, at all times during the term of this Agreement, be held on an account pledged to the Lender.

20. GENERAL UNDERTAKINGS

The undertakings in this Clause 20 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

20.1 Authorisations

Each Obligor shall promptly:

20.1.1 obtain, comply with and do all that is necessary to maintain in full force and effect; and

20.1.2 supply certified copies to the Lender of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Finance Document.

20.2 Compliance with laws

Each Obligor shall comply in all respects with all laws to which it may be subject, if failure so to comply would materially impair its ability to perform its obligations under the Finance Documents.

20.3 Taxes

20.3.1 Each Obligor shall (and the Borrower shall ensure that each Subsidiary will) pay all Taxes required to be paid by it within the time period allowed for payment without incurring any penalties for non payment.

20.3.2 Paragraph 20.3.1 above does not apply to any Taxes:

(a) being contested by the relevant member of the Group in good faith and in accordance with the relevant procedures;

(b) which have been disclosed in its financial statements and for which adequate reserves are being maintained in accordance with GAAP; and

(c) where payment can be lawfully withheld and will not result in the imposition of any penalty to the claims of the Lender under any Finance Document or to any Security created under any Security Document.

20.4 Acquisitions and investments

No Obligor shall (and the Borrower shall ensure that no other member of the Group will):

20.4.1 invest in or acquire any share in, or any security issued by, any person, or any interest therein or in the capital of any person, or make any capital contribution to any person (or agree to do any of the foregoing), or incorporate any new Subsidiary; or

20.4.2 invest in or acquire any business or going concern, or the whole or substantially the whole of the assets or business of any person, or any assets that constitute a division or operating unit of the business of any person (or agree to do any of the foregoing).

20.5 Joint Ventures

20.5.1 No Obligor shall (and the Borrower shall ensure that no member of the Group will):

(a) invest in or acquire (or agree to invest in or acquire) any share in, or any security issued by, any Joint Venture or any interest therein; or

(b) transfer any assets or license any Intellectual Property.

20.5.2 Paragraphs 20.5.1(a), (b) and 20.4 do not apply to Permitted Joint Ventures and the Pre-IPO-Reorganization.

20.6 Assets

Each Obligor shall (and the Borrower shall ensure that each Subsidiary will) maintain in good working order and condition (ordinary wear and tear excepted) all its assets necessary for the conduct of its business as conducted from time to time.

20.7 Pari passu

Each Obligor shall ensure that its obligations under the Finance Documents rank at all times at least pari passu in right of priority and payment with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

20.8 Negative pledge

In this Clause 20.8, "**Quasi-Security**" means an arrangement or transaction described in paragraph (b) below.

20.8.1 No Obligor shall (and the Borrower shall ensure that no other member of the Group will) create or permit to subsist any Security over any of its assets.

20.8.2 No Obligor shall (and the Borrower shall ensure that no other member of the Group will):

(a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or any other member of the Group;

(b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

20.8.3 Paragraphs 20.8.1 and 20.8.2 above do not apply to any Security or (as the case may be) Quasi-Security, listed below:

(a) any Security or Quasi-Security listed in Schedule 3 (*Existing Security*) except to the extent the principal amount secured by that Security or Quasi-Security exceeds the amount stated in that Schedule;

(b) any netting or set-off arrangement entered into by any member of the *Group* in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances and any lien arising under the general terms and conditions of banks or Sparkassen (*Allgemeine Geschäftsbedingungen der Banken oder Sparkassen*) with whom any member of the Group maintains a banking relationship in the ordinary course of business;

(c) any payment or close out netting or set-off arrangement pursuant to any hedging transaction entered into by a member of the Group for the purpose of:

(i) hedging any risk to which any member of the Group is exposed in its ordinary course of trading; or

(ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,

excluding, in each case, any Security or Quasi-Security under a credit support arrangement in relation to a hedging transaction;

(d) any lien arising by operation of law and in the ordinary course of trading;

(e) any Security or Quasi-Security over or affecting any asset acquired by a member of the Group after the date of this Agreement if:

(i) the Security or Quasi-Security was created in contemplation of the acquisition of that asset by a member of the Group;

(ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Group; and

(iii) the Security or Quasi-Security is either removed or discharged within three months of the date of acquisition of such asset or the principal amount of the secured indebtedness (when aggregated with the principal amount of any other indebtedness in accordance with (i) and (ii) and not discharged within three months) does not exceed USD 250,000.00 (or its equivalent in another currency or currencies);

(f) any Security or Quasi-Security entered into pursuant to any Finance Document;

(g) any Security or Quasi-Security securing indebtedness the principal amount of which (when aggregated with the principal amount of any other indebtedness which has the benefit of Security or Quasi-Security given by any member of the Group other than any permitted under paragraphs (a) to (f) above) does not exceed USD 250,000.00 (or its equivalent in another currency or currencies); or

(h) any Security created pursuant to the general conditions of a bank operating in the Netherlands based on the general conditions drawn up by the Netherlands Bankers' Association (*Nederlandse Vereniging van Banken*) and the Consumers Union (*Consumentenbond*) or any other general conditions used by, or agreement or arrangement with, a bank, whether operating in or outside the Netherlands, to substantially the same effect.

20.9 Disposals

20.9.1 No Obligor shall (and the Borrower shall ensure that no other member of the Group will), enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset.

20.9.2 Paragraph 20.9.1 above does not apply to any sale, lease, transfer or other disposal:

(a) made in the ordinary course of trading of the disposing entity;

(b) of assets in exchange for other assets comparable or superior as to type, value and quality; or

(c) where the higher of the market value or consideration receivable (when aggregated with the higher of the market value or consideration receivable for any other sale, lease, transfer or other disposal, other than any permitted under paragraphs (a) and (b) above) does not exceed USD 100,000.00 (or its equivalent in another currency or currencies) in any financial year.

20.10 Arm's length terms

No Obligor shall (and the Borrower shall ensure that no material Subsidiary will) enter into any contract or arrangement with or for the benefit of any other person (including any disposal to that person) other than in the ordinary course of business, for full market value and on arm's length terms, provided that transactions between Borrower and AbCheck shall be in accordance with the existing framework agreement on terms substantially similar to the terms that have been applicable in the past.

20.11 Loans and Credit

No Obligor shall (and the Borrower shall ensure that no Subsidiary will) be a creditor in respect of any Financial Indebtedness, other than for Permitted Loans.

20.12 Guarantees

No Obligor shall (and the Borrower shall ensure that no other member of the Group will) issue or allow to remain outstanding any guarantee in respect of any liability or obligation of any person, other than for Permitted Guarantees.

20.13 Restricted payments

No Obligor shall (and the Borrower shall ensure that no other member of the Group will):

(a) pay, repay or prepay any principal, interest or other amount on or in respect of, or redeem, purchase or defease, any debt of any Restricted Person;

(b) pay or prepay any dividends to any Restricted Person; or

(c) make any investment in or pay any fee or commission or make any advance or other kind of payment to any Restricted Person,

other than (i) their compensation as employees or directors of the Borrower or any member of the Group, (ii) listed in Schedule 23 hereto, and (iii) in addition to the amounts specified under (i) and (ii), other fees at arm's length terms not exceeding an aggregate amount of EUR 100,000.00 p.a.

20.14 Financial Indebtedness

No Obligor shall (and the Borrower shall ensure that no other member of the Group will) incur (or agree to incur) or allow to remain outstanding any Financial Indebtedness, other than for Permitted Financial Indebtedness.

20.15 Merger

20.15.1 No Obligor shall (and the Borrower shall ensure that no other member of the Group will) enter into any amalgamation, demerger, merger or corporate reconstruction or reorganization, other than in connection with the Pre-IPO-Reorganization.

20.15.2 Paragraph 20.15.1 above does not apply to any sale, lease, transfer or other disposal permitted pursuant to Clause 20.9 (*Disposals*) and Permitted Joint Ventures.

20.16 Change of business

The Borrower shall procure that no substantial change is made to the general nature of the business of the Borrower or the Group from that carried on at the date of this Agreement.

20.17 Insurance

20.17.1 Each Obligor shall (and the Borrower shall ensure that each member of the Group will) maintain insurances on and in relation to its business and assets with reputable independent underwriters or insurance companies:

(a) against those risks, and to the extent, usually insured against by prudent companies located in the same or a similar location and carrying on a similar business; and

(b) against those risks, and to the extent, required by applicable law or by contract.

20.17.2 Without limiting paragraph 20.17.1 above, each Obligor shall (and the Borrower shall ensure that each member of the Group will):

(a) maintain insurance on all of its assets of an insurable nature against loss or damage by fire and other risks normally insured against by persons carrying on a similar business in a sum or sums at least equal to their replacement value (meaning the total cost of entirely rebuilding, reinstating or replacing those assets if completely destroyed, together with architects', surveyors' and other professional fees); and

(b) maintain insurance against business interruption, loss of profits, product liability, professional indemnity, employer's liability, pollution, third party liability and public liability at levels no lower than those normally chosen by prudent companies located in the same or similar location and carrying on a similar business, increasing consistently with increasing business levels.

20.17.3 Each Obligor shall (and the Borrower shall ensure that each member of the Group will) promptly pay premiums and do all things necessary to maintain insurances required of it by paragraphs20.17.1 and 20.17.2 above.

20.17.4 Within thirty days as from the execution hereof, the Borrower shall obtain and deliver to the Lender, insurance certificates of its insurances naming the Lender as loss payee, unless otherwise stated in Schedule 11 (*List of Insurances*).

20.18 Intellectual Property

Each Obligor shall (and the Borrower shall ensure that any other Member of the Group:

20.18.1 take all reasonable action to obtain, safeguard, maintain in full force and effect and preserve its ability to enforce all Intellectual Property necessary for the conduct of its business as conducted from time to time, and not discontinue the use of any such Intellectual Property, including:

(a) paying all applicable renewal fees, licence fees and other outgoings; and

(b) performing and complying with all material laws and material obligations to which it is subject as registered proprietor, beneficial owner, user, licensor or licensee of any such necessary Intellectual Property;

20.18.2 promptly notify the Lender of any material infringement or threatened or suspected material infringement of or any challenge to the validity of any such necessary Intellectual Property owned by or licensed to it which may come to its notice, supply the Lender (if requested) with all information in its possession relating thereto;

20.18.3 take all necessary steps (including the institution of legal proceedings) to prevent third parties infringing any such necessary Intellectual Property; and

20.18.4 take all reasonably steps (including legal proceedings) to enforce the confidentiality of and prevent any improper use of any trade secret which is Intellectual Property.

Each Member of the Group shall be entitled to grant licenses on any of its Intellectual property in the ordinary course of business, provided, however, the management board of the Borrower has approved such transaction and no Event of Default has occurred and is continuing.

20.19 Warrants

20.19.1 Subject to the occurrence of the IPO, the Dutch Guarantor shall (and the Borrower shall ensure that the Dutch Guarantor will) issue Dutch Warrants providing for seventeen per cent (17%) warrant coverage of the

Facility A Commitment, calculated as determined in Schedule 7, no later than 20 Business Days following the closing of the IPO and shall deliver to the Lender a legal opinion substantially in the form as set out in Schedule 25 and copies of the resolutions as described in Part II A. 10 (i) (a) to (c) under Schedule 1.

20.19.2 In case neither the Pre-IPO-Reorganization nor the IPO have occurred by August 31, 2014, the Borrower shall issue to the Lender German Warrants providing seventeen per cent (17%) warrant coverage, calculated as determined in Schedule 8, of the Facility A Commitment no later than September 15, 2014 or such later date agreed upon by the Lender and shall deliver to the Lender a legal opinion substantially in the form as set out in Schedule 22 and copies of the resolutions as described in Part II B 5 (ii) under Schedule 1.

20.19.3 In case the Pre-IPO-Reorganization-Date falls on a date after August 31, 2014 and subject to the occurrence of the IPO, the Dutch Guarantor shall (and the Borrower shall ensure that the Dutch Guarantor will) issue Dutch Warrants as determined in 20.19.1 in exchange for the already issued German Warrants no later than 20 Business Days following the closing of the IPO and shall deliver to the Lender a legal opinion substantially in the form as set out in Schedule 25 and copies of the resolutions as described in Part II A. 10 (i) (a) to (c) under Schedule 1.

21. EVENTS OF DEFAULT

Each of the events or circumstances set out in Clause 21 is an Event of Default (save for Clause 21.14 (*Cure Period*) and Clause 21.15 (*Acceleration*)).

21.1 Non-payment

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place and in the currency in which it is expressed to be payable unless:

21.1.1 its failure to pay is caused by administrative or technical error; and

21.1.2 payment is made within three (3) Business Days of its due date.

21.2 Financial covenants

Any requirement of Clause 19 (Financial covenants) is not satisfied.

21.3 Misrepresentation

Any representation or statement made or deemed to be made by or on behalf of an Obligor in the Finance Documents or any other document delivered by or on behalf of any Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

21.4 Dutch Guarantor as Guarantor

In case of the implementation of the Pre-IPO-Reorganization, the Dutch Guarantor does not, by five Business Days after the Pre-IPO-Reorganization Date, accede to this Agreement as Additional Guarantor.

21.5 Cross default

21.5.1 Any Financial Indebtedness of any member of the Group is not paid when due nor within any originally applicable grace period.

21.5.2 Any Financial Indebtedness of any member of the Group is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).

21.5.3 Any commitment for any Financial Indebtedness of any member of the Group is cancelled or suspended by a creditor of any member of the Group as a result of an event of default (however described).

21.5.4 Any creditor of any member of the Group becomes entitled to declare any Financial Indebtedness of any member of the Group due and payable prior to its specified maturity as a result of an event of default (however described).

21.5.5 No Event of Default will occur under this Clause 21.5 if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs 21.5.1 to 21.5.4 above is less than USD 50,000.00 (or its equivalent in any other currency or currencies).

21.6 Insolvency

21.6.1 A member of the Group except for AbCheck:

(a) is unable or admits inability to pay its debts as they fall due;

(b) suspends making payments on any of its debts; or

(c) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (excluding

any Lender in its capacity as such) with a view to rescheduling any of its indebtedness and in particular a member of the Group incorporated in Germany is unable to pay its debts as they fall due (*zahlungsunfähig*) within the meaning of section 17 of the Insolvency Code (*Insolvenzordnung*).

21.6.2 A member of the Group incorporated in Germany is overindebted within the meaning of section 19 of the Insolvency Code (*Insolvenzordnung*) or, with respect to any other member of the Group except for AbCheck, the value of the assets of any member of the Group is less than its liabilities (taking into account contingent and prospective liabilities).

21.6.3 A moratorium is declared in respect of any indebtedness of any member of the Group except for AbCheck.

21.7 Insolvency proceedings

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

21.7.1 the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any member of the Group except for AbCheck other than a solvent liquidation or reorganisation of any member of the Group which is not an Obligor;

21.7.2 a composition, compromise, assignment or arrangement with any creditor of any member of the Group except for AbCheck;

21.7.3 the appointment of a liquidator (other than in respect of a solvent liquidation of a member of the Group which is not an Obligor), receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any member of the Group except for AbCheck or any of its assets; or

21.7.4 enforcement of any Security over any assets of any member of the Group except for AbCheck,

or any analogous procedure or step is taken in any jurisdiction.

This Clause 21.7 shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 days of commencement.

21.8 Creditors' process

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of a member of the Group except for AbCheck having an aggregate value of USD 10,000.00 and is not discharged within ten days.

21.9 Ownership of the Obligors

An Obligor (other than the Borrower and the Dutch Guarantor) is not or ceases to be a Subsidiary of the Borrower.

21.10 Material Adverse Effect

A Material Adverse Effect has occurred.

21.11 Unlawfulness

It is or becomes unlawful for an Obligor to perform any of its obligations under the Finance Documents in any material respect.

21.12 Repudiation

An Obligor repudiates a Finance Document or evidences an intention to repudiate a Finance Document.

21.13 Other obligations

An Obligor does not comply with any provision of the Finance Documents (other than those referred to in Clause 21.1 (*Non-payment*) and Clause 21.2 (*Financial covenants*)).

21.14 Cure Period

No Event of Default will occur if the event or circumstance is capable of remedy and is remedied within 10 Business Days of the earlier of (A) the Lender giving notice to the Borrower and (B) the Borrower becoming aware of the failure to comply.

21.15 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Lender may by notice to the Borrower:

21.15.1 cancel the Total Commitments whereupon they shall immediately be cancelled;

21.15.2 declare that all or part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be due and payable, whereupon they shall become due and payable within 10 Business Days; and/or

21.15.3 declare that all or part of the Loans be payable on demand, whereupon they shall become payable within 10 Business Days upon demand by the Lender.

SECTION 9
CHANGES TO PARTIES

22. CHANGES TO THE LENDER

22.1 Assignments and transfers by the Lenders

Subject to this Clause 22, the Lender (the "**Existing Lender**") may:

22.1.1 assign any of its rights; or

22.1.2 assign and transfer by assumption of contract (*Vertragsübernahme*) any of its rights and obligations,

to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets (the "**New Lender**").

22.2 Conditions of assignment or assignment and transfer by assumption of contract (*Vertragsübernahme*)

22.2.1 The consent of the Borrower is required for an assignment or an assignment and transfer by assumption of contract (*Vertragsübernahme*) by an Existing Lender, unless the assignment or assignment and transfer by assumption of contract (*Vertragsübernahme*) is:

(a) to another Lender, or an Affiliate of a Lender or any trust, fund or other entity affiliated with it (in the sense of section 15 et. seq. German Stock Corporation Act), any fund trust or other entity under common management with the Lender, or any trust, fund or other entity affiliated with (in the sense of section 15 et. seq. German Stock Corporation Act), otherwise controlled by, or managed by Perceptive Advisors LLC or its legal successors (*Rechtsnachfolger*);or

(b) made at a time when an Event of Default is continuing

and the assignee is not a competitor of the Borrower, an Affiliate of a competitor of the Borrower or a vulture hedge fund, each as reasonably determined by the Lender.

22.2.2 The consent of the Borrower to an assignment or assignment and transfer by assumption of contract (*Vertragsübernahme*) must not be unreasonably withheld or delayed. The Borrower will be deemed to have given its consent ten (10) Business Days after the Existing Lender has requested it unless consent is expressly refused by the Borrower within that time.

22.2.3 An assignment will only be effective on receipt by the Lender of written confirmation from the New Lender (in form and substance satisfactory to the Lender) that the New Lender will assume the same obligations to the Lender.

22.2.4 An assignment and transfer by assumption of contract (*Vertragsübernahme*) will only be effective if the procedure set out in Clause 22.3 (*Procedure for assignment and transfer by assumption of contract (Vertragsübernahme)*) is complied with.

22.2.5 Limitation of responsibility of Existing Lenders

(a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;

(ii) the financial condition of any Obligor;

(iii) the performance and observance by any Obligor of its obligations under the Finance Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,

and any representations or warranties implied by law are excluded.

(b) Each New Lender confirms to the Existing Lender that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender in connection with any Finance Document; and

(ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(c) Nothing in any Finance Document obliges an Existing Lender to:

(i) accept a re-assignment or a re-assignment and re-transfer by assumption of contract (*Vertragsübernahme*) from a New Lender of any of the rights and obligations assigned or assigned and transferred by assumption of contract (*Vertragsübernahme*) under this Clause 22; or

(ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Finance Documents or otherwise.

22.3 Procedure for assignment and transfer by assumption of contract (*Vertragsübernahme*)

22.3.1 Subject to the conditions set out in Clause 22.2 (*Conditions of assignment or assignment and transfer by assumption of contract* (*Vertragsübernahme*)) an assignment and transfer by assumption of contract (*Vertragsübernahme*) is effected in accordance with paragraph (c) below when the Existing Lender and the New Lender execute a duly completed Transfer Certificate.

22.3.2 On the Transfer Date:

(a) to the extent that in the Transfer Certificate the Existing Lender seeks to assign and transfer by assumption of contract (*Vertragsübernahme*) its rights and obligations under the Finance Documents each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled (being the "**Discharged Rights and Obligations**");

(b) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor and the New Lender have assumed and/or acquired the same in place of that Obligor and the Existing Lender;

(c) the New Lender and other Lenders, if any, shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been the Existing Lender with the rights and/or obligations acquired or assumed by it as a result of the assignment and transfer by assumption of contract (*Vertragsübernahme*) and to that extent the Existing Lender shall be released from further obligations to each other under the Finance Documents;

(d) the New Lender shall become a Party as a "**Lender**"; and

(e) the above shall not apply for any claims the Existing Lender may have under Clause 11 (*Tax Gross Up and Indemnities*)

22.4 Copy of Transfer Certificate to Borrower, Costs of Transfer

22.4.1 The Lender shall, as soon as reasonably practicable after it has executed a Transfer Certificate, send to the Borrower a copy of that Transfer Certificate.

22.4.2 The Borrower shall promptly on demand pay the Lender the amount of all out of pocket costs and expenses (including legal fees and notarial fees) reasonably incurred by it in connection with the transfer of this Agreement, the Security Documents any other documents referred to in this Agreement, provided the Lender deems it necessary to execute such transfer in notarial form, notarized by German notary.

23. CHANGES TO THE OBLIGORS

23.1 Assignments and transfer by Obligors

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

23.2 Additional Guarantors

23.2.1 The Borrower may request that any member of the Group and the Lender may reasonably request that any member of the Group which has not been a member of the Group on the date of conclusion of this Agreement becomes an Additional Guarantor. That member of the Group shall become an Additional Guarantor if:

(a) the Borrower delivers to the Lender a duly completed and executed Accession Letter; and

(b) in case the Dutch Guarantor shall become an Additional Guarantor, the Lender has received all of the documents and other evidence listed in Part II number 3 to 9 of Schedule 1 (*Conditions Precedent*) in relation to the Dutch Guarantor, each in form and substance satisfactory to the Lender; or

(c) in case any other Member of the Group shall become an Additional Guarantor, the Lender has received all of the documents and other evidence listed in Part III of Schedule 1 (*Conditions Precedent*) in relation to that Additional Guarantor, each in form and substance satisfactory to the Lender.

23.2.2 The Lender shall notify the Borrower upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and other evidence required by Clause 23.2 (*Additional Guarantors*).

SECTION 11
ADMINISTRATION

24. PAYMENT MECHANICS

24.1 No set-off by Obligors

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim unless the counterclaim is undisputed or has been confirmed in a final non-appealable judgement.

24.2 Business Days

24.2.1 Any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

24.2.2 During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

25. SET-OFF

A Lender may set off any matured obligation due from an Obligor under the Finance Documents against any satisfiable (*erfüllbar*) obligation (within the meaning of section 387 Civil Code (*Bürgerliches Gesetzbuch*)) owed by that Lender to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

26. NOTICES

26.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or overnight courier to the following addresses:

26.1.1 If to the Lender

AFFIMED THERAPEUTICS AG
Technologiepark, Im Neuenheimer Feld 582
69120 Heidelberg, Germany
Attn: Dr. Florian Fischer
Fax: +49 6221 65307 77
Email: f.fischer@affimed.com

with a copy to

CMS Hasche Sigle
Partnerschaft von Rechtsanwälten und Steuerberatern mbB
Nymphenburger Straße 12
80335 Munich, Germany
Attn: Stefan-Ulrich Müller
Fax: +49 89 23807 40667
Email: Stefan-Ulrich.Mueller@cms-hs.com

26.1.2 If to the Borrower

Perceptive Advisors LLC
499 Park Avenue, 25th Floor
New York, New York 10022
United States of America
Attn: Sandeep Dixit
Email: Sandeep@perceptivelife.com

with a copy to:

Morrison & Foerster LLP
Potsdamer Platz 1
10785 Berlin, Germany
Attn: Jörg Meißner
Fax: +49 30 726 221 130
Email: jmeissner@mofo.com

26.2 Delivery

26.2.1 Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective when received (*zugegangen*), in particular:

(a) if by way of fax, when received in legible form; or

(b) if by way of overnight courier, when it has been left at the relevant address.

26.2.2 Any communication or document by the Finance Parties to the Obligors may be made or delivered to the Borrower for its own account and for the account of the Obligors. For that purpose each Obligor appoints the Borrower as its lender of receipt (*Empfangsvertreter*).

26.3 Notification of address and fax number

Promptly upon changing its address or fax number, each party shall notify the other Parties.

26.4 English language

26.4.1 Any notice given under or in connection with any Finance Document must be in English.

26.4.2 All other documents provided under or in connection with any Finance Document must be:

(a) in English; or

(b) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

27. CALCULATIONS AND CERTIFICATES

27.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Lender are *prima facie* evidence (*Beweis des ersten Anscheins*) of the matters to which they relate.

27.2 Certificates and Determinations

The Lender makes the certifications or determinations of a rate or amount under any Finance Document in the exercise of its unilateral right to specify performance (*einseitiges Leistungsbestimmungsrecht*) which it will exercise with reasonable discretion (*billiges Ermessen*).

27.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days.

28. PARTIAL INVALIDITY

The Parties agree that should at any time, any provisions of this Agreement be or become void (*nichtig*), invalid or due to any reason ineffective (*unwirksam*) this will indisputably (*unwiderlegbar*) not affect the validity or effectiveness of the remaining provisions and this Agreement will remain valid and effective, save for the void, invalid or ineffective provisions, without any Party having to argue (*darlegen*) and prove (*beweisen*) the Parties intent to uphold this Agreement even without the void, invalid or ineffective provisions.

The void, invalid or ineffective provision shall be deemed replaced by such valid and effective provision that in legal and economic terms comes closest to what the Parties intended or would have intended in accordance with the purpose of this Agreement if they had considered the point at the time of conclusion of this Agreement.

29. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of the Lender shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

30. AMENDMENTS AND WAIVERS

Any term of the Finance Documents may be amended or waived only with the consent of the Lender, the Borrower and the Guarantor and any such amendment or waiver will be binding on all Parties.

31. CONFIDENTIALITY AND DISCLOSURE

31.1 Each Party shall keep the other Party's Proprietary Information strictly confidential and only use such information as appropriate in the context of this Agreement. The receiving Party shall use the same degree of care as it uses to keep its own Proprietary Information confidential to prevent disclosure, use or publication of the disclosing Party's Proprietary Information. Proprietary Information of the originating Party shall be held strictly confidential by the receiving Party above unless (i) its disclosure is required by law, regulation, subpoena or other order or (ii) it is or has been:

31.1.1 obtained legally and freely from a third party without restriction;

31.1.2 independently developed by the receiving Party at a prior time or in a separate and distinct manner without benefit of any of the Proprietary Information of the disclosing Party, and documented to be as such;

31.1.3 made available by the disclosing Party for general release independent of the receiving Party;

31.1.4 made public as required by law, applicable regulations or court proceedings or stock exchange requirements;

31.1.5 within the public domain or later becomes part of the public domain as a result of acts by someone other than the receiving Party and through no fault or wrongful act of the receiving Party.

31.2 This Section 31 shall apply mutatis mutandis to any Obligor.

31.3 For the avoidance of doubt, this Agreement may be filed with the U.S. Securities and Exchange Commission in connection with the IPO.

SECTION 12
GOVERNING LAW AND ENFORCEMENT

32. GOVERNING LAW

This Agreement shall be governed by German law, without regard to principles of conflicts of law.

33. ENFORCEMENT

33.1 Jurisdiction

33.1.1 The courts of Frankfurt am Main, Germany have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement (a "**Dispute**").

33.1.2 The Parties agree that the courts of Frankfurt am Main, Germany are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

33.1.3 This Clause 33.1 shall not prevail over any choice of jurisdiction in any Security Document regarding the subject of the respective Security Document.

34. CONCLUSION OF THIS AGREEMENT (*VERTRAGSSCHLUSS*)

34.1 The Parties to this Agreement may choose to conclude this Agreement by an exchange of signed signature page(s), transmitted by any means of telecommunication (*telekommunikative Übermittlung*) such as by way of fax or electronic photocopy.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

/s/ Dr. Martin Schweiger
Affimed Therapeutics AG

/s/ Dr. Florian Lörsch
PCOF 1, LLC

/s/ Dr. Florian Lörsch
PCOF 1, LLC

SCHEDULE 1

Conditions Precedent

Part I

Conditions Precedent to Facility A

1. The Borrower

   (a) In relation to the Borrower incorporated or established in Germany an up-to-date commercial register extract (*Handelsregisterausdruck*), its articles of association (*Satzung*), copies of any by-laws as well as a list of shareholders (*Gesellschafterliste*) (if applicable). In relation to the Borrower incorporated or established in a jurisdiction other than Germany a copy of its constitutional documents.

   (b) In relation to the Borrower incorporated or established in Germany a notarized copy of a resolution of the shareholders of the Borrower and a copy of a resolution of the supervisory board (*Aufsichtsrat*) of the Borrower approving the terms of, and the transactions contemplated by the Finance Documents.

   (c) A specimen of the signature of each person authorised to execute any Finance Document and other documents and notices (including, if relevant, any Utilisation Request to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.

   (d) Evidence of the contribution of an amount of at least EUR 2,900,000.00 of equity into the Borrower.

   (e) A certificate of a an authorised signatory of the Borrower certifying that each copy document relating to it specified in this Part I of Schedule 1 (*Conditions Precedent*) is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

2. Legal opinions

   Legal opinion of an independent legal counsel to the Borrower substantially in the form set out in Schedule 14.

3. Other documents and evidence

(a) The Original Financial Statements of the Borrower, accompanied by an English translation which must not be certified.

(b) With regard to the German Warrants,

(i) a notarized, unanimous resolution of the general meeting of the Borrower authorising the management board (*Vorstand*) to issue warrants,

(ii) a notarized, unanimous resolution of the general meeting of the Borrower in order to create a contingent capital (*bedingtes Kapital*) covering the exercise of warrants under the proviso that such resolution shall only be registered with the commercial register if the IPO has not occurred by August 31, 2014 or such later date agreed upon by the lender,

(iii) duly executed outline of terms and conditions of the warrant bond on the German Warrants as attached hereto as Schedule 8.

4. Securities

(a) Share Pledge Agreement regarding the shares held by the Borrower in AbCheck substantially in the form set out in Schedule 15

(b) Bank account pledge agreement regarding all bank accounts of the Borrower except for special accounts for increases of the share capital substantially in the form set out in Schedule 16

(c) Security Transfer Agreement (*Sicherungsübereignung*) excluding any assets considered Intellectual Property used in connection with or necessary forAFM11 and AFM13 substantially in the form set out in Schedule 17

(d) Receivables Transfer Agreement (*Forderungsabtretung*) substantially in the form set out in Schedule 18

(e) Pledge Agreement on all non-US intellectual property rights of the Borrower, excluding any Intellectual Property used in connection with or necessary for AFM11 and AFM13 substantially in the form set out in Schedule 19

(f) Receivables Transfer Agreement regarding receivables from the Amphivena Agreements in the form set out in Schedule 20

(g) Pledge Agreement on all US intellectual property rights of the Borrower, excluding any Intellectual Property used in connection with or necessary for AFM11 and AFM13 substantially in the form set out in Schedule 24.

Part II

Condition Precedent for Facility B

A. In case of the completion of the IPO, the following Condition Precedent for Facility B shall apply:

1. Evidence of the completion of the IPO, which shall be satisfied by a press release to this effect.

2. An Accession Letter, duly executed by the Dutch Guarantor and the Borrower.

3. A copy of the constitutional documents of the Dutch Guarantor including an up-to-date extract from the Dutch Trade Register (*handelsregister*) relating to it and its articles of association.

4. A copy of a resolution of the board of directors of the Dutch Guarantor:

   (a) approving the terms of, and the transactions contemplated by, the Accession Letter and the Finance Documents and resolving that it execute the Accession Letter;

   (b) authorising a specified person or persons to execute the Accession Letter on its behalf; and

   (c) authorising a specified person or persons, on its behalf, to sign and/or despatch all other documents and notices (including, in relation to an Additional Borrower, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents.

5. If applicable, a copy of the resolutions of the supervisory board of the Dutch Guarantor approving the terms of, and the transactions contemplated by, the Accession Letter and the Finance Documents.

6. A specimen of the signature of each person authorised to execute any Finance Document and other documents and notices (including, if relevant, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.

7. A certificate of an authorised signatory of the Additional Obligor certifying that each copy document listed in this Part II of Schedule 1 (*Conditions Precedent*) is correct, complete and in full force and effect as at a date no earlier than the date of the Accession Letter.

8. A legal opinion of an independent legal counsel of the Borrower in connection with the accession of the Dutch Guarantor substantially in the form set out in Schedule 21.

9. If available, the latest audited financial statements of the Additional Obligor.

10. With regard to the Dutch Warrants,

(i) the Dutch Guarantor shall have issued to the Lender Dutch Warrants providing seventeen per cent (17%) warrant coverage of the total amount of USD 14,000,000.00 (including, for the avoidance of doubt, the Warrants issued with respect to the Facility A Commitment under Clause 20.19), calculated according to the terms of the Dutch Warrants as attached hereto as Schedule 7, evidenced by (a) a resolution of the general meeting of the Dutch Guarantor authorising the board of directors to issue warrants (*rechten tot het nemen van aandelen*), (b) a resolution of the board of directors of the Dutch Guarantor to issue the Dutch Warrants, and (c) a resolution of the supervisory board of the Dutch Guarantor to approve the resolution of the management board of the Dutch Guarantor as mentioned under (b),

(ii) a legal opinion of an independent legal counsel of the Borrower in connection with the issuance of the Dutch Warrants substantially in the form set out in Schedule 25,

B. In case of the non-completion of the IPO, the following Condition Precedent for Facility B shall apply:

1. Evidence of contribution of the amount of New Equity which the Borrower received.

2. Evidence of the amount of New Cash Proceeds which the Borrower received

3. First-ranking Pledge Agreement on all intellectual property rights of the Borrower, including any intellectual property rights regarding AFM11 and AFM13 substantially in the form set out in Schedule 19 but without the limitations regarding AFM11 and AFM13.

4. Security Transfer Agreement (*Sicherungsübereignung*) including all assets considered Intellectual Property regarding AFM11 and AFM13 substantially in the form set out in Schedule 17 but without the limitations regarding AFM11 and AFM13.

5. With regard to the German Warrants,

(i) a legal opinion of an independent legal counsel of the Borrower in connection with the issuance of the German Warrants substantially in the form set out in Schedule 22;

(ii) the Borrower has issued German Warrants to the Lender providing seventeen per cent (17%) warrant coverage of the total amount of USD 14,000,000.00 (including, for the avoidance of doubt, the Warrants issued with respect to the Facility A Commitment under Clause 20.19), calculated according to the term sheet of the German Warrants as attached hereto as

Schedule 8 and provided copies of the resolutions of the management board (*Vorstand*) and the supervisory board (*Aufsichtsrat*) to issue the German Warrants.

Part III

Conditions Precedent Required To Be

Delivered By An Additional Obligor other than the Dutch Guarantor

1. An Accession Letter, duly executed by the Additional Obligor and the Borrower.

2. In relation to an Additional Obligor incorporated or established in Germany an up-to-date commercial register extract (*Handelsregisterausdruck*), its articles of association (*Satzung*), copies of any by-laws as well as a list of shareholders (*Gesellschafterliste*) (if applicable). In relation to an Additional Obligor incorporated in a jurisdiction other than Germany a copy of its constitutional documents.

3. In relation to an Additional Obligor incorporated or established in Germany a copy of a resolution of the shareholders of such Additional Obligor and/or if applicable a copy of a resolution of the supervisory board (*Aufsichtsrat*) and/or if applicable the advisory board (*Beirat*) of such Additional Obligor approving the terms of, and the transactions contemplated by the Finance Documents. In relation to an Additional Obligor incorporated in a jurisdiction other than Germany a copy of a resolution of the shareholders of each such Additional Obligor, approving the terms of, and the transactions contemplated by the Finance Documents.

4. A copy of a resolution of the board of directors of the Additional Obligor incorporated or established in a jurisdiction other than Germany:

   (a) approving the terms of, and the transactions contemplated by, the Accession Letter and the Finance Documents and resolving that it execute the Accession Letter;

   (b) authorising a specified person or persons to execute the Accession Letter on its behalf; and

   (c) authorising a specified person or persons, on its behalf, to sign and/or despatch all other documents and notices (including, in relation to an Additional Borrower, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents.

5. A specimen of the signature of each person authorised to execute any Finance Document and other documents and notices (including, if relevant, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.

6. In relation to an Additional Obligor incorporated or established in a jurisdiction other than Germany a certificate of the Additional Obligor (signed by a director) confirming that borrowing or guaranteeing, as appropriate, the Total Commitments would not cause any borrowing, guaranteeing or similar limit binding on it to be exceeded.

7. A certificate of an authorised signatory of the Additional Obligor certifying that each copy document listed in this Part II of Schedule 1 (*Conditions Precedent*) is correct, complete and in full force and effect as at a date no earlier than the date of the Accession Letter.

8. If available, the latest audited financial statements of the Additional Obligor.

9. If the Additional Obligor is incorporated in a jurisdiction other than Germany, a legal opinion of the legal advisers to the Additional Obligor in the jurisdiction in which the Additional Obligor is incorporated reasonably comparable to the form set out in Schedule 14.

SCHEDULE 2

Requests

Utilisation Request

From: [*Borrower*]

To: [*Lender*]

Dated:

Dear Sirs

[Borrower] – [ ] Facility Agreement
dated [ ] (the "Agreement")

1. We refer to the Agreement. This is a Utilisation Request. Terms defined in the Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow a Loan on the following terms:

Proposed Utilisation Date (at least 15 Business Days as from the date of the Utilization Request received by the Lender):	[ ] (or, if that is not a Business Day, the next Business Day)
Facility to be utilised:	[Facility A]/[Facility B]*
Amount:	[ ] or, if less, the Available Facility
[Interest Period:	[ ]]

3. The Borrower confirms to each Lender that each of the Repeated Representations is true and correct as at the date hereof as if made by reference to the facts and circumstances existing on the date hereof.

4. This Utilisation Request is irrevocable.

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* Delete as appropriate.

Yours faithfully

authorised signatory for
[*name of Borrower*]

authorised signatory for
[*name of Borrower*]

SCHEDULE 3

Existing Security

Name of Obligor	Security	Total Principal Amount of Indebtedness Secured
n.a.	n.a.	0.00

SCHEDULE 4
Form of Cash Report

Deutsche Bank Heidelberg

Account	*per: xx.xx.xxxx*			*Account-Nr.*	*BIC-Code:*
Current account	0.00 €			014080600	DEUTDESM672
Flexmoney 10	0.00 €			014080610	DEUTDESM672
CHF foreign currency account	0.00 €		fx	014080610	DEUTDESM672
GBP foreign currency account	0.00 €	0.00	1.255	014080600	DEUTDESM672
USD foreign currency account	0.00 €	0.00	1.367	014080601	DEUTDESM672
Savings Account 60	0.00 €			014080660	DEUTDESM672
SUM:	**0.00 €**				

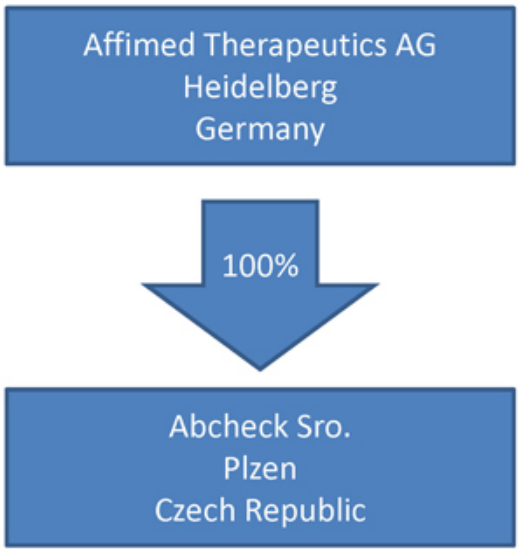
H+G Bank Heidelberg eG, Volksbank Kurpfalz

Account	*per: xx.xx.xxxx*			*Account-Nr.*	*BIC-Code:*
Current account	0.00 €			*60586608*	*GENODE61HD3*
Savings Account	0.00 €			5760586600	*GENODE61HD3*
SUM:	**0.00 €**				
TOTAL:	**0.00 €**				

Deutsche Bank Heidelberg

Account	*per: xx.xx.xxxx*			*Account-Nr.*	*BIC-Code:*
present capital increase account 3	*0.00 €*	*excluded from security*		014080603	DEUTDESM672
present capital increase account 4	0.00 €	*excluded from security*		014080604	DEUTDESM672
	0.00 €				

Schedule 5 - Group Chart



Shareholders

affimed
unique antibody therapeutics

Name of shareholder on Affimed Therapeutics AG	Nr. of shares	in % total shares undiluted
Affimed Therapeutics AG, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany.	**50.870**	2,45%
Prof. Dr. Melvyn Little, Immenseeweg 17, 25826 St. Peter-Ording, Germany Private Person	**20.028**	0,96%
Deutsches Krebsforschungszentrum, Im Neuenheimer Feld 280, 69120 Heidelberg, Germany Stiftung des öffentlichen Rechts / Public foundation	**3.712**	0,18%
AGUTH Holding GmbH, Schloß-Wolfsbrunnenweg 33, 69118 Heidelberg, Germany	**73.549**	3,54%
KfW, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany Anstalt des öffentlichen Rechts / independent public-law institution	**44.446**	2,14%
tbg Technologie-Beteiligungs-Gesellschaft mbH, Ludwig-Erhard-Platz 1-3, 53179 Bonn, Germany GmbH / limited company (wholy owned subsidiary of Deutsche Ausgleichsbank DtA)	**19.426**	0,93%
	—	
BioMed Invest I Ltd., Suite 7, Provident House, Havilland Street, St. Peter Port, Guernsey, GY1 2QE, Channel Islands	**186.714**	8,98%
OrbiMed Private Investments III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA Limited Partnership; incorporated under the laws of the State of Delaware	**616.633**	29,66%
OrbiMed Associates III, LP, 601 Lexington Avenue, 54th Floor, New York, NY 10022, USA Limited Partnership; incorporated under the laws of the State of Delaware	**5.727**	0,28%
LSP III Omni Investment Coöperatief U.A., Johannes Vermeerplein 9, 1071 DV Amsterdam, The Netherlands a cooperative with excluded liability for its members	**186.700**	8,98%
SGR Sagittarius Holding AG, Brügglistrasse 2, 8852 Altendorf, Switzerland	**578.150**	27,81%
Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark	**293.113**	14,10%
Unless otherwise indicated, each person shown has been incorporated or established under the jurisdiction applicable to its seat.	**2.079.068**	**100,00%**

SCHEDULE 6
Development Milestones
AFM11 & AFM13

1. AFM 13 must achieve full patient recruitment for stage 1 Phase IIa Stage clinical trial for Hodgkin Lymphoma by June 30, 2016.

2. AFM 11 must achieve recruitment of at least 15 patients for the clinical trial for Non-Hodgkin Lymphoma by March 31, 2016.

3. One further New Business Development Transaction with an aggregate cash flow of at least USD 5,000,000.00 reasonably expected within 24 months post-closing of such transaction signed by December 31, 2015.

SCHEDULE 7

DRAFT DE BRAUW – AGREED FORM
DATED 23 JULY 2014

WARRANT FOR THE SUBSCRIPTION OF COMMON SHARES
AFFIMED N.V.
[—] 2014

THE WARRANT REPRESENTED BY THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND HAS BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A CURRENT VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. SUCH WARRANT GENERALLY MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. THIS SECURITY IS ALSO SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER AND OTHER MATTERS AS SET FORTH IN THE WARRANT AGREEMENT GOVERNING THE TERMS OF THIS WARRANT. THE COMMON SHARES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND ARE SUBJECT TO FURTHER RESTRICTION ON TRANSFER. SUCH COMMON SHARES GENERALLY MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

Affimed N.V., a public limited liability company under the laws of the Netherlands, having its corporate seat at Amsterdam, the Netherlands and address at D-69120 Heidelberg, Germany, Im Neuenheimer Feld 582, Germany (the "**Company**"), hereby certifies and declares that **PCOF 1, LLC**, a limited liability company under the laws of [—], having its corporate seat at [—] and address at [—] (together with its successors, transferees and assigns, collectively, the "**Holder"**), in partial consideration for entering into that certain USD 14,000,000 term facility agreement, dated as of [—] 2014, by and between *inter alia* the Company and the Holder, is entitled, subject to the provisions of this warrant (the "**Warrant**"), to subscribe for such number of common shares in the share capital of the Company as set out below.

WHEREAS:

(A) On [—] 2014, Affimed Therapeutics AG ("**Affimed AG**"), as borrower, and the Holder, as lender, entered into a USD 14,000,000 term facility agreement (the "**Facility Agreement**") and the Company, as guarantor, became a party to the Facility Agreement on [—] 2014.

(B) Pursuant to Clause 20.19.1 of the Facility Agreement the Company is required to grant this Warrant to the Holder,

(C) The number of Common Shares to be received upon the exercise of this Warrant and the price to be paid per Common Share are subject to adjustment from time to time as set forth in this Warrant. The Common Shares to be issued by the Company upon exercise of this Warrant, as adjusted from time to time, are hereinafter also referred to as "**Warrant Shares**".

(D) On [—] 2014, the management board of the Company has approved the granting of this Warrant and, upon exercise of this Warrant the issuance of the Warrant Shares, to the Holder.

1 GRANT AND EXERCISE OF WARRANT

1.1 The Company grants the Holder the right, subject to the provisions of this Warrant Agreement, to subscribe for [—] fully paid common shares with a nominal value of EUR 0.01 in the share capital of the Company (the "**Common Shares**"), subject to adjustment as hereinafter provided.

The price per Common Share under this Warrant is USD [—] ([—] US dollars) [1], payable in cash or in kind (subject to section 2:94b of the Dutch Civil Code) and whether or not by means of set-off by the Company (the "**Exercise Price**"). The Exercise Price shall always be equal to an amount of at least the nominal value of the Common Shares.

1.2 This Warrant may be exercised in whole or in part prior to the Expiration Date (as hereinafter defined) by completing the form set out in Schedule 1 (an "**Exercise Notice**"), by duly executing such Exercise Notice, and by delivering such Exercise Notice, together with this Warrant and payment in full of the aggregate Exercise Price, to the Company.

1.3 An Exercise Notice, once issued, shall be irrevocable and shall constitute a binding agreement between the Holder and the Company, enforceable in accordance with its terms. The Warrant Exercise Notice must state the number of Warrant Shares to which it relates.

1.4 If this Warrant should be exercised in part only, the Company shall, upon delivery of this Warrant, execute and deliver a new Warrant evidencing the rights of Holder thereof to purchase the balance of the Warrant Shares that can be subscribed for hereunder.

1.5 Upon the exercise of this Warrant, the Company shall, within five (5) Business Days after the date of delivery of the Exercise Notice to the Company, subject always to receipt by the Company of the aggregate Exercise Price for the

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[1] The price per Common Share which corresponds to the lower end of the price range printed on the cover of the preliminary prospectus used for the roadshow for the IPO of the Company multiplied by 0.8.

Warrant Shares subscribed for pursuant to such exercise, issue the corresponding number of Warrant Shares (as specified in the Exercise Notice) to the Holder.

1.6 The Company undertakes to do at all times such things and to do all such acts and to execute all such documents, to the extent required to give effect to this Warrant and the exercise of this Warrant by the Holder in accordance with the terms hereof.

1.7 To the extent this Warrant has not been exercised at or before the Expiration Date, it shall become null and void, and all rights of the Holder hereunder shall cease.

2 SET-OFF

The Holder may upon the exercise of this Warrant in accordance with Clause 1.1 set-off any obligation that is due and payable (*opeisbaar*) and not contingent (*niet voorwaardelijk*) of the Company to the Holder under the Facility Agreement against the obligation of the Holder to pay the aggregate Exercise Price for the Warrant Shares subscribed for pursuant to such exercise.

3 ISSUE OF COMMON SHARES

On [—] 2014 the management board of the Company has been authorised by the general meeting of shareholders to issue, and to grant the right to subscribe for, Common Shares, and to exclude pre-emptive rights. The Company hereby agrees that upon due exercise of this Warrant it shall issue Common Shares in accordance with this Warrant and all such Common Shares, when issued upon such exercise in accordance with the terms of this Warrant, shall be validly issued, fully paid and non-assessable.

4 REPRESENTATIONS

The Company represents and warrants to the Holder that each of the following statements set out below is true, accurate and not misleading at the date of this Warrant:

(a) The Company is duly organised and validly existing under the laws of the Netherlands and has full corporate power and authority to perform the transactions contemplated in this Agreement and has no conflict to enter into this Agreement and each other document or instrument delivered in connection with this Agreement.

(b) This Agreement and each other document or instrument delivered in connection with this Agreement constitute binding obligations of, and are enforceable against, the Company in accordance with their respective terms.

(c) The Company currently has an authorised share capital of [—] euro (EUR [—]), consisting of [—] ([—]) common shares and [—] ([—]) cumulative preference shares, each having a nominal value of one eurocent (EUR 0.01).

(d) The Company has at the date of this Agreement not granted any warrants, options, rights to participate in profits and similar instruments or rights, to subscribe for shares in the share capital of the Company to any party, other than [—] options granted in regard to the ESOP 2014 and ESOP 2007 equity plans, and any options granted to the underwriters in the underwriting agreement.

5 UNDERTAKINGS

5.1 The Company undertakes that, upon the exercise by the Holder of the Warrant, each Warrant Share shall:

(a) be validly issued and fully paid-up and free from any existing pre-emptive rights under the articles of association of the Company ("**Articles of Association**");

(b) participate in all dividends allocated to the dividend reserves maintained for the Common Shares; and

(c) entitle the holder thereof to the shareholder's rights conferred upon shareholders pursuant to the Articles of Association and Netherlands Law.

5.2 The Company furthermore undertakes, save with the consent of the Holder, which shall not be unreasonably withheld:

(a) that if any offer is made to all holders of Common Shares to acquire the whole of or a proportion of the Common Shares, the Company will as soon as possible give notice of such offer to the Holder and use its best endeavours to procure that a full and adequate opportunity is given to the Holder to exercise its Warrant and that a like offer (being one pari passu with the terms offered in respect of the other Common Shares) is extended in respect of any Common Shares issued upon the exercise of Warrant;

(b) that it will pay (i) all taxes, stamp and other duties and charges in respect of the creation and issue of the Warrant and (ii) reasonable out of pocket costs in relation to any amendment, waiver or consent requested by or on behalf of the Company and (iii) reasonable out of pocket costs in relation to the enforcement of, or the preservation of any rights of a Holder under this Warrant.

5.3 The Company agrees to procure that such number of Common Shares as equals the number of Warrants from time to time shall be reserved out of the Company's authorised share capital for issue to the Holder upon the exercise of the Warrant in accordance with Clause 1.

SCHEDULE 7

DRAFT DE BRAUW – AGREED FORM
DATED 23 JULY 2014

6 TRANSFER AND ASSIGNMENT

6.1 Holder acknowledges that the Warrant and underlying Warrant Shares must be held indefinitely unless subsequently registered under the Securities Act or unless an exemption from such registration is available. It is aware of the provisions of Rule 144 promulgated under the Securities Act which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions. Holder understands that the transfer of the Warrant and underlying Warrant Shares, once issued, is restricted by applicable U.S. state and Federal securities laws and that any such transfer can only be effected subject to the terms of this Warrant, and that the certificates representing the Warrant and underlying Warrant Shares, once issued, will be imprinted with legends restricting transfer except in compliance therewith. The Company need not register a transfer of the legended Warrant or underlying Warrant Shares, and may also instruct its transfer agent not to register the transfer of the warrants or underlying Warrant Shares, unless the conditions specified in each of these legends is satisfied.

6.2 This Warrant and all rights hereunder are subject to Section 6.1 transferable in whole or in part by Holder and any successor transferee; Holder shall give five (5) Business days prior written notice (a "**Transfer Notice**") of any such transfer to the Company. The Company agrees and confirms, for the avoidance of doubt, that it in advance provides its cooperation and consent to any transfer as described herein.

7 RIGHTS OF HOLDER.

Holder shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, and the rights of Holder are limited to those expressed in this Warrant. Nothing contained in this Warrant shall be construed as conferring upon Holder hereof the right to vote or to consent or to receive notice as a shareholder of the Company on any matters or with respect to any rights whatsoever as a shareholder of the Company. No dividends or interest shall be payable or accrued in respect of this Warrant or the interest represented hereby.

SCHEDULE 7

DRAFT DE BRAUW – AGREED FORM
DATED 23 JULY 2014

8 ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF SHARES.

The Exercise Price and the number of the Warrant Shares that can be subscribed for upon the exercise of the Warrant shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

(a) *Stock Splits*. If the outstanding Common Shares are to be subdivided into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall simultaneously with the effectiveness of such subdivision be proportionately reduced. If outstanding Common Shares shall be combined into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall, simultaneously with the effectiveness of such combination, be proportionately increased. When any adjustment is required to be made in the Exercise Price, the number of Warrant Shares that may be subscribed for upon the exercise of this Warrant shall be changed to the number determined by dividing (i) an amount equal to the number of Common Shares issuable upon the exercise of this Warrant immediately prior to such adjustment, multiplied by the Exercise Price in effect immediately prior to such adjustment, by (ii) the Exercise Price in effect immediately after such adjustment.

(b) *Reclassification, etc*. In case there occurs any reclassification or change of the outstanding Common Shares of the Company or of any reorganisation of the Company or any similar corporate reorganisation on or after the date hereof, then, upon the exercise of this Warrant at any time after the consummation of such reclassification, change, or reorganisation, Holder shall be entitled to receive, in lieu of the Warrant Shares or other securities receivable upon the exercise hereof prior to such consummation, the shares or other securities to which such Holder would have been entitled upon such consummation if such Holder had exercised this Warrant immediately prior thereto.

(c) *Adjustment Certificate*. When any adjustment is required to be made in the Warrant Shares or the Exercise Price pursuant to this Clause 8, the Company shall promptly mail to Holder a certificate setting forth (i) a brief statement of the facts requiring such adjustment, (ii) the Exercise Price after such adjustment and (iii) the kind and amount of shares or other securities into which this Warrant shall be exercisable after such adjustment.

9 PIGGYBACK REGISTRATION RIGHTS.

(a) *Piggyback Registration*. Whenever any of the Company's Common Shares are proposed to be registered under the Securities Act (other than a registration effected solely to implement an employee benefit plan or a transaction to which Rule 145 of the Securities Act is applicable, or a Registration Statement on Form S-4, S-8 or any successor form thereto or another form not available for registering the Registrable Securities for sale to the public), whether for its own account or for the account of one or more shareholders of the Company and the form of Registration Statement to be used may be used for any registration of Warrant Shares (a "Piggyback

Registration"), the Company shall give prompt written notice (in any event no later than five (5) business days prior to the filing of such Registration Statement) to the Holder of its intention to effect such a registration and shall include in such registration, on a pro rata basis with all other persons and entities participating in such registration, the Warrant Shares with respect to which the Company has received written requests for inclusion from the Holder within two (2) business days after the Company's notice has been given to the Holder. For purposes of determining the Holder's pro rata participation in any registration of the Company's Common Shares, the Holder shall be deemed to be a "Requesting Shareholder", as defined in the RRA (defined below), if the registration is of the type described in Section 2.01 of the RRA, and the Holder shall be deemed to be "Shareholder", as defined in the RRA, if the registration is of the type described in Section 2.02 of the RRA. With respect to any such registration of Company Common Shares, the Company shall be liable for all Registration Expenses, as defined in the RRA, whether or not such registration is effected

(b) *Registration Procedures*. If and whenever the Holder requests that any Warrant Shares be registered pursuant to the provisions of this Warrant, the Company shall use its best efforts to effect the registration and the sale of such Warrant Shares in accordance with the intended method of disposition thereof, and pursuant thereto the Company shall as soon as practicable:

(i) prior to filing of any Registration Statement, Prospectus or amendments or supplements thereto, furnish to counsel of the Holder copies of such documents proposed to be filed, which documents shall be subject to the review, comment and approval of such counsel;

(ii) notify the Holder, promptly after the Company receives notice thereof, of the time when such Registration Statement has been declared effective or a supplement to any Prospectus forming a part of such Registration Statement has been filed;

(iii) furnish to the Holder such number of copies of the Prospectus included in such Registration Statement (including each preliminary Prospectus) and any supplement thereto (in each case including all exhibits and documents incorporated by reference therein) and such other documents as the Holder may request in order to facilitate the disposition of the Warrant Shares;

(iv) use commercially reasonable efforts to register or qualify such Warrant Shares under such other securities or "blue sky" laws of such jurisdictions as may be required and do any and all other acts and things which may be necessary or advisable to enable the Holder to

consummate the disposition; provided, that the Company shall not be required to qualify generally to do business, subject itself to general taxation or consent to general service of process in any jurisdiction where it would not otherwise be required to do so but for this Section 6(c)(iv);

(v) notify the Holder, at any time when a Prospectus relating thereto is required to be delivered under the Securities Act, of the occurrence of any event as a result of which the Prospectus included in such Registration Statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading, and, at the request of the Holder, the Company shall prepare a supplement or amendment to such Prospectus so that, as thereafter delivered to the purchasers of such Warrant Shares, such Prospectus shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading;

(vi) upon execution of confidentiality agreements in form and substance reasonably satisfactory to the Company, make available for inspection by the Holder, any underwriter participating in any disposition pursuant to such Registration Statement and any attorney, accountant or other agent retained by the Holder or any such underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors and employees to supply all information requested by any such inspector, as shall be reasonably necessary to exercise its due diligence responsibility in connection with such Registration Statement; the Holder agrees that the information obtained by it shall be deemed confidential and shall not be used by it or its affiliates as the basis for any market transactions in Common Shares unless and until such information is made generally available to the public;

(vii) use its best efforts to cause such Warrant Shares to be listed on each securities exchange on which the Common Shares arethen listed or, if the Common Shares not then listed, on a national securities exchange selected by the Holder;

(viii) without limiting Section 6(c)(vi) above, use its best efforts to cause the Warrant Shares to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of the Company to enable the Holder to consummate the disposition of such Warrant Shares in accordance with their intended method of distribution thereof;

(ix) notify the Holder promptly of any request by the Commission for the amending or supplementing of such Registration Statement or Prospectus or for additional information; and

(x) advise the Holder, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the Commission suspending the effectiveness of such Registration Statement or the initiation or threatening of any proceeding for such purpose and promptly use its best efforts to prevent the issuance of any stop order or to obtain its withdrawal at the earliest possible moment if such stop order should be issued; and otherwise use its best efforts to take all other steps necessary to effect the registration of such Warrant Shares contemplated hereby.

(c) For purposes of this Warrant, when used herein the following terms shall have the following meanings:

"Prospectus" means the prospectus or prospectuses included in any Registration Statement, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference in such prospectus or prospectuses.

"Registrable Securities" means (x) any shares of Common Stock held by any Person or issuable upon conversion, exercise or exchange of any securities owned by any person or entity at any time (including Warrant Shares exercisable upon exercise of this Warrant), and (y) any shares of Common Stock issued or issuable with respect to any shares described in subsection (x) above by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization (it being understood that for purposes of this Warrant, a person or entity shall be deemed to be a holder of Registrable Securities whenever such person or entity has the right to then acquire or obtain from the Company any Registrable Securities, whether or not such acquisition has actually been effected). As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (i) a Registration Statement covering such securities has been declared effective by the Commission and such securities have been disposed of pursuant to such effective Registration Statement, (ii) such securities are sold under circumstances in which all of the applicable conditions of Rule 144 (or any similar provisions then in force) under the Securities Act are met, (iii) such securities are otherwise transferred and such securities may be resold without subsequent registration under the Securities Act, or (iv) such securities shall have ceased to be outstanding.

"Registration Statement" means any registration statement of the Company which covers any of the Registrable Securities pursuant to the provisions of this Warrant, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all materials incorporated by reference in such Registration Statement.

"RRA" means the Registration Rights Agreement, dated as of July , 2014, among the Company and the shareholders party thereto.

(d) *Information*. The Company shall make and keep available public information, as such term is contemplated by Rule 144 under the Securities Act until all Warrant Shares have been sold pursuant to Rule 144 or under a registration statement.

10 TERMINATION

This Warrant (and the right to subscribe for Warrant Shares upon the exercise hereof) shall terminate upon the earliest to occur of the following (the "**Expiration Date**"):

(a) [—][2]; or

(b) a Change of Control (as defined below) of which notice has been sent to the Holder in conformity with Clause 10.1. provided that the Holder prior to closing of the transaction constituting such Change of Control (i) has failed to give notice that it wishes to exercise the Warrant or (ii) has given notice that it does not wish to exercise the Warrant.

11 CHANGE OF CONTROL

11.1 The Company will notify the Holder of any proposed Change of Control at least twenty (20) Business Days prior to the expected closing of the transaction constituting such Change of Control by completing the form set out in Schedule 2 (a "Change of Control Notice")

11.2 A "**Change of Control**" means:

(i) any sale, transfer or other disposition to another company of all or substantially all of the Company's assets;

(ii) the sale of shares of the Company resulting in more than 50% of the voting power of the Company or of the surviving entity being vested in persons or entities other than the persons or entities who own 50% or more of the voting power of the Company immediately prior to the effectiveness of such transaction; or

2 10 years after the date of issuance.

(iii) a merger or consolidation of the Company resulting in more than 50% of the voting power of the Company or of the surviving entity being vested in persons or entities other than the persons or entities who own 50% or more of the voting power of the Company immediately prior to the effectiveness of such transaction;

(iv) a voluntary liquidation of the Company; or

(v) a legal demerger of the Company resulting in more than 50% of the voting power of the Company or of the demerging entity being vested in persons or entities other than the persons or entities who own 50% or more of the voting power of the Company immediately prior to the effectiveness of such transaction.

11.3 If the Holder intends to exercise its Warrant in the event of a Change of Control, the Holder is allowed to opt for receiving, to the extent legally and practically possible, the relevant pro rata part of the cash or other assets proceeds of the Change of Control, if any, that it would have acquired (whether directly or indirectly) had it exercised the Warrant prior to the Change of Control.

12 MODIFICATION AND WAIVER, SEVERABILITY

12.1 Neither this Warrant nor any term hereof may be changed, waived, discharged or terminated other than by an instrument in writing signed by the Company and by Holder.

12.2 In the event any one or more of the provisions of this Warrant shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Warrant shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision, which comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

13 NOTICES; PLACE OF RESIDENCE

13.1 Any notice or other communication in connection with this Warrant must be in writing in the English language and must be:

(i) delivered personally; or

(ii) sent by registered letter,

to the party due to receive the notice or communication at its address set out at the start of this Warrant.

13.2 In the absence of evidence of earlier receipt, any notice or other communication shall be deemed to have been duly given:

(i) if delivered personally, when left at the address referred to in Clause 13.1;

(ii) if sent by registered letter, three days after posting it.

13.3 Each party hereto can specify another address to the others by notice in writing.

14 GOVERNING LAW; COMPETENT COURT

14.1 This Warrant shall be governed exclusively by Dutch law.

14.2 The district court of Amsterdam, The Netherlands shall have exclusive jurisdiction in first instance for any dispute which may arise in connection with this Warrant. For the avoidance of doubt, Dutch law applies to this Section 14.2.

[The remainder of this page has been left blank intentionally]

SCHEDULE 7

DRAFT DE BRAUW – AGREED FORM
DATED 23 JULY 2014

SIGNED ON [DATE] BY:

Affimed N.V.

Name: Adi Hoess
Title: Chief Executive Officer

Name: Florian Fischer
Title: Chief Financial Officer

SCHEDULE 7

DRAFT DE BRAUW – AGREED FORM
DATED 23 JULY 2014

For acceptance

PCOF 1, LLC

_____

Name:
Title:
Date:

Schedule 1 Form of Warrant Exercise Notice

Affimed N.V.
Im Neuenheimer Feld 582
D-69120 Heidelberg
Germany

Date: [—]

Re: Warrant Exercise Notice

Dear Sirs,

Reference is made to the warrant for the subscription of common shares in the capital of Affimed N.V., date [—] 2014 (the "**Warrant**"). Terms defined in the Warrant shall have the same meaning in this exercise notice.

[Exercise in full] [delete if appropriate]

The Holder hereby irrevocable elects to exercise the Warrant in full, to subscribe for all Warrant Shares, being [—] Warrant Shares, at the Exercise Price. As per the date of this exercise notice, the Holder shall pay the aggregate Exercise Price for the Warrant Shares by wire transfer into the bank account of the Company. The original the Warrant is attached to this notice.

[Partial Exercise] [delete if appropriate]

The Holder hereby irrevocable elects to exercise the Warrant in part, to subscribe for [—] Warrant Shares at the Exercise Price. As per the date of this exercise notice, the Holder shall pay the aggregate Exercise Price for the Warrant Shares by wire transfer into the bank account of the Company. The original of the Warrant is attached to this notice. Subject to the issue of the Warrant Shares in accordance with the preceding sentence, the Company is hereby requested to issue a replacement Warrant for the remaining Warrant Shares under the Warrant, in accordance with Clause 1.3 of the Warrant.

The undersigned hereby represents and warrants to the Company as follows:

(a) The undersigned is an "accredited investor" within the meaning of Regulation D, Rule 501(a), under the Securities Act.

(b) The undersigned is acquiring the Warrant Shares for investment for its own account, not as a nominee or agent, and not with the view to, or for resale in connection with, any distribution thereof, other than the transfer of shares to an affiliated investment fund under common control with the undersigned. It understands that the issuance of the Warrant Shares has not been, and will not be, registered under the Securities Act by reason of a specific exemption from the

registration provisions of the Securities Act, the availability of which depends upon, among other things, the bona fide nature of the undersigned's investment intent and the accuracy of the undersigned's representations as expressed herein. The undersigned's address set forth below represents the purchaser's true and correct state of domicile, upon which the Company may rely for the purpose of complying with applicable "Blue Sky" laws.

(c) The undersigned acknowledges that the Warrant Shares must be held indefinitely unless subsequently registered under the Securities Act or unless an exemption from such registration is available. It is aware of the provisions of Rule 144 promulgated under the Securities Act which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions.

Please issue the Warrant Shares in the name of the Holder in accordance with the Warrant and this exercise notice.

Yours faithfully,

[name Holder]

_____

Name:
Title:

Schedule 2 Form of Change of Control Notice

[name Holder]
[address Holder]

Date: [—]

Re: Change of Control Notice

Dear Sirs,

Reference is made to the warrant for the subscription of common shares in the capital of Affimed N.V., date [—] 2014 (the "**Warrant**"). Terms defined in the Warrant shall have the same meaning in this exercise notice.

We hereby notify you of the following proposed Change of Control: [*description Change of Control*]. The closing of the transaction constituting such Change of Control is expected to take place on [*closing date*].

Please note that the Warrant (and the right to subscribe for Warrant Shares upon the exercise hereof) shall terminate upon occurrence of this Change of Control if prior to closing of the transaction constituting such Change of Control the Holder (i) has failed to give notice that it wishes to exercise the Warrant or (ii) has given notice that it does not wish to exercise the Warrant.

Yours faithfully,

[name Company]

_____

Name:
Title:

Schedule 7 - Part II

Calculation of numbers of Dutch Warrant Shares

The Lender shall receive Dutch Warrants which entitle to the subscription of such number of shares in the Dutch Guarantor to be determined as follows:

(i) USD 935,000 for the first tranche of the Warrants to be issued in relation to Facility A and (ii) USD 1,445,000 for the second tranche of the Warrants to be issued in relation to Facility B, shall be divided by the exercise price for the shares in the Dutch Guarantor. The exercise price shall be 80% of the lower end of the price range printed on the cover of the preliminary prospectus used for the roadshow for the IPO ("**Exercise Price**").

Sample calculation, assuming the Exercise Price is USD 20:

USD 2,380,000 (*17% Warrant Coverage of the aggregate loan*): USD 20 (*Exercise Price*) = Dutch Warrants entitling to the subscription of 119,000 shares in the Dutch Guarantor.

SCHEDULE 8

July 24, 2014

OUTLINE OF TERMS AND CONDITIONS OF THE WARRANT BOND

*This Outline of Terms and Conditions (this "**Term Sheet**") outlines certain (but not all) principal terms of the warrant bond. The following Terms and Conditions are divided in the Terms and Conditions of the bond component and the warrants component of the warrant bond. Capitalized terms used herein shall have the same meaning as ascribed to them in the Facility Agreement by and among Affimed Therapeutics AG and PCOF 1, LLC dated July 24, 2014.*

A. Terms and Conditions of the Bond

Issuer:	Affimed Therapeutics AG ("**Affimed**" or "**Issuer**").
Subscriber:	PCOF 1, LLC ("**Subscriber**") or any trust, fund or other entity affiliated with it (in the sense of section 15 et seq. German Stock Corporation Act), any fund, trust or other entity under common management with it, or any trust, fund or other entity affiliated with (in the sense of section 15 et seq. German Stock Corporation Act), otherwise controlled by, or managed by Perceptive Advisors LLC or its legal successors (*Rechtsnachfolger*).
Bond:	A bond (*Optionsanleihe*) (the "**Bond**") in a EUR amount equal to the number of shares granted under the German Warrants (see below) to be issued in up to two tranches. [The amount of Facility A and Facility B will be reduced by the Bond amount.]
Closing Date:	Anticipated to be (i) on or before September 15, 2014 for the first tranche and (ii) upon first Utilisation of Facility B for the second tranche (the "**Closing Date**").
Maturity Date:	The Bond will mature on the fourth (4th) anniversary of the First Utilisation Date under the Facility Agreement. The parties may agree on a shorter term of the Bond.
Termination:	Termination rights as provided for under the Facility Agreement.

Interest:	The Bond will accrue interest at an annual rate equal to the greater of (a) one-month LIBOR or (b) one percent (1.00%) plus the Applicable Margin. The Applicable Margin will be 9.00%. Interest will be calculated on the basis of the actual number of days elapsed based on a 360-day year. Upon the occurrence, and during the continuance, of an event of default, the Applicable Margin will be increased by three percent (3.00%) per annum. The Issuer pays the interest monthly in arrears.
Amortization:	Repayment at the final maturity date or after termination.
Upfront Fee:	On the respective Closing Date, the Issuer will pay an Upfront Fee to the Subscriber equal to 2% of the respective Bond amount.
Early Prepayment Fee:	If the Bond is prepaid, in whole or in part, for any reason, an Early Prepayment Fee will be payable on such prepaid portion, depending on the time passed since the First Utilisation Date under the Facility Agreement, as follows:

If prepaid during months 1 - 12:	5%
If prepaid during months 13 - 24:	3%
If prepaid during months 25 - 35:	2%
If prepaid in or after month 36:	1%

Collateral:	As provided under the Facility Agreement.
Other terms and conditions:	Other terms and conditions of the Bond shall be substantially equal to the provisions in the Facility Agreement, in particular with regard to financial covenants, cash cover, representations and warranties etc.
Conditions precedent	• Legal Opinion of an independent legal counsel of the Borrower in a form as agreed under the Facility Agreement. • Resolution of the general meeting of the Issuer; • Actual corporate documents of the Issuer.

Governing Law:	Federal Republic of Germany. The parties submit to the exclusive jurisdiction of the courts in Frankfurt am Main, Germany.

B. Terms and Conditions of the German Warrants

Issuer:	Affimed Therapeutics AG ("**Affimed**" or "**Issuer**).
Subscriber:	PCOF 1, LLC (the "**Subscriber**").
Warrant:	Option rights regarding the shares in Affimed as defined below (one option / one share) ("**German Warrants**"); German Warrants shall be separable from the Bond.
Closing Date:	Anticipated to be (i) on or before September 15, 2014 for the first tranche and (ii) upon first Utilisation of Facility B for the second tranche (the "**Closing Date**").
Number and type of shares; exercise price; sample calculation	Affimed shall issue to Subscriber Series E Preferred Shares (as defined in the Investment Agreement Pre-IPO Financing Affimed Therapeutics AG dated June 23-25, 2014, as amended) with an attributed portion of the share capital (*Grundkapital*) of EUR 1,-. The number of warrants (rounded up-wards) which each entitle to the subscription of one share shall be determined by (i) USD 935,000 for the first tranche of the German Warrants and (ii) USD 1,445,000 for the second tranche of the German Warrants, converted into EUR according to the final quotation (*Schlusskurs*) of the Frankfurt am Main stock exchange on the day of execution of the Facility Agreement, divided by the exercise price. The exercise price shall amount to EUR 30.8861 (in words: Euro thirty point eight eight six one). The Series E Preferred Shares issued to the Subscriber shall enjoy the same broad-based weighted-average anti-dilution protection as the existing Series E Preferred Shares under the Investment Agreement Pre-IPO Financing Affimed Therapeutics AG dated June 23-25, 2014, as amended.

	Any portion of the exercise price exceeding the attributed portion of the share capital shall be paid in as agio. Sample calculation: USD 2,380,000 x 0.73921 (exchange rate) = EUR 1,759,320 : EUR 30.8861 (exercise price) = 56,962 shares
Contingent Capital	The German Warrants are covered by sufficient contingent capital (*bedingtes Kapital*). Contingent capital to be renewed as required.
Option period	The period, in which the Subscriber may exercise the German Warrants, runs as from the Closing Date until its (10th) anniversary.
Replacement by Dutch Warrants after the IPO	In case the IPO is implemented after the issuance of the German Warrants, the German Warrants shall be replaced by the Dutch Warrants ("**Replacement**"). In case of the Replacement, the Subscriber shall receive in lieu of the German Warrants a number of Dutch Warrants which provide for a number of shares in the Dutch Guarantor equal to the amount of shares the Subscriber would have been entitled to in case the IPO would have been completed prior to the issuance of the German Warrants, i.e. (i) USD 935,000 for the first tranche of the Warrants and (ii) USD 1,445,000 for the second tranche of the Warrants, converted into EUR according to the final quotation (*Schlusskurs*) of the Frankfurt am Main stock exchange on the day of execution of the Facility Agreement, shall be divided by the exercise price for the shares in the Dutch Guarantor. The exercise price shall be 80% of the lower end of the price range provided in the preliminary prospectus used for the roadshow for the IPO.
Dilution protection:	Dilution protection: • Pro rata subscription rights to be granted in case of capital increase or issuance of convertible bonds/option bonds on an as-if-converted fully-diluted basis. • A capital reduction of the issuer's share capital does not affect the German Warrants and the shares granted thereunder, provided that the capital reduction is

connected with a repayment of capital or an acquisition for value of own shares. If the capital reduction is not connected with a repayment of capital or an acquisition for value of own shares, the number of shares granted under the German Warrants shall decrease proportionally.

- In case of capital increase by use of own assets of the Issuer (§ 207 AktG) the number of shares granted under the German Warrants shall increase proportionally.

Governing Law: Federal Republic of Germany. The parties submit to the exclusive jurisdiction of the courts in Frankfurt am Main, Germany.

Conditions precedent Legal Opinion in a form as agreed under the Facility Agreement.

Place, Date

Affimed Therapeutics AG

Place, Date

PCOF 1, LLC

SCHEDULE 9

Form of Transfer Certificate
[To be completed]

To: [ ] as Lender

From: [*The Existing Lender*] (the "**Existing Lender**") and [*The New Lender*] (the "**New Lender**")

Dated:

[Borrower] – [ ] Facility Agreement
dated [ ] (the "Agreement")

1. We refer to the Agreement. This is a Transfer Certificate. Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.

2. We refer to Clause 22.3 (*Procedure for assignment and transfer by assumption of contract (Vertragsübernahme)*):

   (a) The Existing Lender and the New Lender agree to the Existing Lender assigning and transferring to the New Lender by assumption of contract (*Vertragsübernahme*) and in accordance with Clause 22.3 (*Procedure for assignment and transfer by assumption of contract (Vertragsübernahme)*) all of the Existing Lender's rights and obligations under the Agreement and the other Finance Documents which relate to that portion of the Existing Lender's Commitment(s) and participations in Loans under the Agreement as specified in the Schedule of this Transfer Certificate.

   (b) The proposed Transfer Date is [ ].

3. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in paragraph (c) of Clause 22.2.5 (*Limitation of responsibility of Existing Lenders*).

4. This Transfer Certificate is governed by German law.

5. This Transfer Certificate has been entered into on the date stated at the beginning of this Transfer Certificate.

Schedule of Transfer Certificate

Commitment/rights and obligations to be assigned and transferred by way of assumption of contract (*Vertragsübernahme*)

[*insert relevant details*]
[*Facility Office address, fax number and attention details for notices and account details for payments,*]

[Existing Lender] [New Lender]

By: By:

This Transfer Certificate is accepted by the Lender and the Transfer Date is confirmed as [ ].

[Lender]

By:

SCHEDULE 10

Form of Accession Letter

To: [ ] as Lender

From: [*Subsidiary*] and [*Borrower*]

Dated:

Dear Sirs

[Borrower] – [ ] Facility Agreement
dated [ ] (the "Agreement")

1. We refer to the Agreement. This is an Accession Letter. Terms defined in the Agreement have the same meaning in this Accession Letter unless given a different meaning in this Accession Letter.

2. [*Subsidiary*] agrees to become an Additional [Borrower]/[Guarantor] and to be bound by the terms of the Agreement as an Additional [Borrower]/[Guarantor] [Clause 23.2 (*Additional Guarantors*)] of the Agreement. [*Subsidiary*] is a Borrower duly incorporated under the laws of [*name of relevant jurisdiction*].

3. [The Borrower confirms that no Default is continuing or would occur as a result of [*Subsidiary*] becoming an Additional Borrower.]

4. We confirm to each Lender that each of the Repeated Representations is true and correct in relation to us as at the date hereof as if made by reference to the facts and circumstances existing on the date hereof.

5. [*Subsidiary's*] administrative details are as follows:

   Address:

   Fax No:

   Attention:

6. This Accession Letter [and any non-contractual obligations arising out of or in connection with it] [is/are] governed by German law.

[Borrower] [Subsidiary]

SCHEDULE 11

Insurances of Therapeutics AG

Nature of insurance	Insurance Company	Scope of the coverage	Insured	Sum of insurance	Annual fee	Due date	Note
Business content insurance	Württembergische Versicherung AG FKA11-0360439-47	Fire, burglary and vandalism, tap water, storm/hail, further elemental damage	Business equipment, Building components, inventories/work in progress	€ 390.300,— € 189.900,— € 116.300,—	1,332.94 €	01.01.J.J.	incl. Cell-cultures, Antibodies, Cell -lines, Lab-supplies
Loss of earnings insurance	Württembergische Versicherung AG FKA11-0360439-47	Fire, burglary and vandalism, tap water, storm/hail, further elemental damage	lost profits, continuing costs, period 12 months	4,100,000.00 €	3,028.54 €	01.01.J.J.	fixed costs, revenues, licence fees
Electronics insurance	Generali-Versicherung AG 2.GK-23.627370-8-	All Risk incl. over voltage, theft, short-circuit, operation errors	Technical equipment for Office, Data processing, Laboratory, Software	193.001,00 € 1.103.000,00 € 50.000,00 €	4,791.09 €	01.01.J.J.	Deductible office 150,- € / Laboratory 250,- €; Deductible of 10 %

The following insurance can not be transferred

Nature of insurance	Insurance Company	Scope of the coverage	Insured	Sum of insurance	Annual fee	Due date	Note
operating and product liability insurance	AXA- Versichg. AG VS-Nr.81238069814	Personen-, Sach- u. Vermögensschäden inkl. Umweltdeckung	inkl.Mietsachschäden € 1,0 Mio. F, Ex. LW, Schlüsselschd. € 50', Bearbeitg.schd. € 100'	5.000.000,- € pauschal Pers. u. Sachschäden -.	5,872.90 €	01.01.J.J.	weltweite Deckung inkl. USA/Kanada mitversichert: AbCheck S.r.o. Tschechien
Genetic engineering and third-party liability insurance	AXA- Versichg. AG VS-Nr.81238069815	Personen-, Sach- u. Vermögensschäden inkl. Umweltdeckung	Gentechnik-Deckung Labor S 2	3.000.000,- € pauschal Pers. u. Sach- / Vermögensschäden	1,904.00 €	01.01.J.J.	
D&O-Insurance	CHARTIS Europe SA VSNr. YMM1520710	Vermögensschäden als Folge von Pflicht-verletzungen	Versichert Geschäfts-leitung, Aufsichtsrat, Ltd. Angestellte	10,000,000.00 €	22,610.00 €	27.06.J.J.	weltweit inklusive USA/Kanada AbCheck S.r.o. Tschechien

SCHEDULE 11

Insurances of Therapeutics AG

legal expense insurance	ZurichVersicherung AG VS.-Nr 637.101.516.936	Industrie-Strafrechts-schutz-Leistungen	Grunddeckung Strafkaution	1.000.000,00 € 200.000,00 €	1,477.98 €	01.01.J.J.	weltweite Geltung - inkl. AbCheck sro.
group travel insurance	AIG U340137996	Unfall- Kranken- und Reisegepäckvers. für Reisende u. Team Tschechien	während Reise und Aufenthalt im Ausland	Integr. Unfallversicherung: Todesfall 15.000,— € / Invalidität 150.000,— €	1,163.68 €	01.01.J.J.	ohne Namens-nennung - 3 Pers. + VIP-Team
group accident insurance	Generali-Versicherung AG 2.GK-23.971.322 -3	Unfallversicherung weltweit, 24-Stunden-Geltung	3 Mitglieder des Vorstands - namentlich benannt	Todesfall € 500.000,00 € Invalidität € 1.000.000,00 € je Person	2,142.00 €	03.08.J.J.	
volunteers' trial insurance	Chubb Düsseldorf 35881543		klinische Studie Deutschland AFM 13-101	5,000,000.00 €	Einmalprämie: 8.500,00 €		
volunteers' trial insurance	Chubb, Phoenix 99486090		klinische Studie USA AFM 13-101	10,000,000.00 €	Einmalprämie 53.676 USD Rückerstattung nach Studienende: 46.676 USD		
volunteers' trial insurance	Chubb Düsseldorf 99484410		klinische Studie Deutschland AFM 11-101	5,000,000.00 €	Einmalprämie-für AFM11-101 noch nicht in Rechnung gestellt		
cargo insurance	esa cargo & logistics GmbH	Transportgut	temperaturgeführter Transport von BI, Biberach zu Temmler, München13.01.-15.01.2014	750,000.00 €	Einmalprämie		
			Private insurances of the managing board				
SB-Versicherung	CHARTIS Europe S.A. Y 551580615		weltweit Dr. Eugene Zhukovsky	350,000.00 €	928.20 €	27.06.J.J.	ohne SB

SCHEDULE 11
Insurances of Therapeutics AG

SB-Versicherung	CHARTIS Europe S.A. Y 551580486	weltweit Dr. Florian Fischer	350,000.00 €	928.20 €	27.06.J.J.	ohne SB
SB-Versicherung	CHARTIS Europe S.A. Y 551580484	weltweit Dr. Adi Hoess	350,000.00 €	928.20 €	27.06.J.J.	ohne SB
SB-Versicherung	CHARTIS Europe S.A. Y551580483	weltweit Prof. Dr. Melvyn Little	350,000.00 €	2,227.68 €	Einmal-prämie	Run-Off-Police - Prämie bereits bezahlt !
SB-Versicherung	CHARTIS Europe S.A. Y551580485	weltweit Dr. Rolf Günther	350,000.00 €	2,227.68 €	Einmal-prämie	Run-Off-Police - Prämie bereits bezahlt !

SCHEDULE 12

PATENTS FOR AFM11

1. "Multivalent antibody constructs" (TandAb) [inlicensed]

Application discloses bivalent and tetravalent Fv antibody constructs (TandAb); constructs can be monospecific, bi- or multispecific. Each molecule comprises four variable domains linked by linker 1, 2, and 3 which can differ in length; general diagnostic and therapeutic use, in particular for viral, bacterial or tumoral disease is mentioned

Patent term: May 5, 2019

Granted in: Europe, USA, Japan, Australia, Canada

2. "TandAb – New domain order" (TandAb)

Application covers TandAbs having a different domain order. In contrast to first TandAb application various specificities and medical uses are disclosed; exemplified are CD3xCD19 and HSAxCD3 TandAbs

Filing date: February 25, 2010

Status: pending

SCHEDULE 13

PATENTS FOR AFM13

1. "Multivalent antibody constructs" (TandAb) [inlicensed]

Application discloses bivalent and tetravalent Fv antibody constructs (TandAb); constructs can be monospecific, bi- or multispecific. Each molecule comprises four variable domains linked by linker 1, 2, and 3 which can differ in length; general diagnostic and therapeutic use, in particular for viral, bacterial or tumoral disease is mentioned

Patent term: May 5, 2019

Granted in: Europe, USA, Japan, Australia, Canada

2. "Anti-CD16A binding molecules"

The invention relates to anti-CD16A binding molecules which are not binding to CD16B; various bispecific antibodies or different antibody formats and their medical uses are disclosed

Filing date: May 26, 2006 (term possible to 2026)

Status: pending in Europe, USA, Australia, Canada, China, Russia, India, Brazil

3. "CD16xCD30" [inlicensed]

Patent relates to bispecific CD16xCD30 Fv antibodies useful for the lysis of CD30 expressing cells (such as HL); exemplified are diabodies; not limited to particular format

Patent term: August 2, 2020

Granted in: Europe

SCHEDULE 14

[PCOF 1, LLC]

CMS Hasche Sigle
Partnerschaft von Rechtsanwälten und Steuerberatern mbB

Nymphenburger Str. 12
80335 München

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Affimed Therapeutics AG – German Legal Opinion re Credit Facility

[—] 2014

Dear Sir/Madam

We are acting as German legal advisors to Affimed Therapeutics AG, a private company with limited liability organized under the laws of the Federal Republic of Germany (the "**Borrower**") as to the laws of the Federal Republic of Germany ("**Germany**") in connection with a credit facility (the "**Credit Facility**") to be provided by you to the Borrower under the Term Facility Agreement dated [—] and entered into between the Borrower and [PCOF 1, LLC] (the "**Facility Agreement**"; the Facility Agreement together with the security agreements entered into in connection with the Facility Agreement, with the exception of any security agreements that are not governed by German law, the "**Loan Documents**").

This opinion is delivered to you pursuant to [Part 1 clause 2 of Schedule 1 to the Facility Agreement in connection with Schedule 14 to the Facility Agreement].

I. Documents reviewed

In the above-mentioned capacity we have, in particular, examined copies of the following documents (together, the "**Opinion Documents**"):

1. A copy of the articles of association of the Company in its most current version as of [—] (the "**Articles of Association**");

2. A copy of an electronic excerpt from the commercial register (*Handelsregister*) (the "**Commercial Register Extract**") concerning the Company registered under docket number 336536 at the local court (*Amtsgericht*) of Mannheim, Germany (the "**Commercial Register**") dated [—];

3. A copy of the executed Loan Documents, comprising the executed Facility Agreement, an account pledge agreement, a global assignment agreement, a first-ranking pledge agreement on intellectual property rights and a security transfer agreement, all governed by German law;

4. A copy of the notarized minutes of the general meeting of the Borrower dated [—] in which the general meeting resolved on the approval of the Loan Documents pursuant to § 179a AktG (such resolution: the "**General Meeting Resolution**");

5. A copy of the minutes of the supervisory board resolution dated [—] with which the supervisory board of the Borrower approved the Loan Documents;

6. A copy of the minutes of the management board resolution dated [—] with which the management board of the Borrower resolved to enter into the Loan Documents (the "**Management Board Resolution**").

II. Assumptions

In considering the Opinion Documents for the purposes of this Legal Opinion we have assumed with your consent and without any further verification that

- all Opinion Documents submitted to us as originals are authentic;
- all signatures on all documents which we have examined are genuine;
- all Opinion Documents provided to us as copies are identical to their respective originals;
- all Opinion Documents which were only provided as drafts were or will be signed in the same form;
- all Opinion Documents were validly signed, authorised, executed and delivered by the natural persons and legal entities (other than the Company) named as parties therein and that their validity and enforceability is not affected by any laws other than German law;

- the Commercial Register Extract is complete, accurate and reflects all matters which can be registered in such register and no application for an entry has been made, no entry has been made and no resolution has been passed to apply for an entry therein which is not reflected in the Commercial Register Extract from the date of the Commercial Register Extracts until the date hereof;
- the Articles of Association is in its most current form and there are no side agreements thereto;
- all Opinion Documents were, in comparison to the version presented to us, complete, not revoked, supplemented or amended in any other way (including by side-letters) without our being informed prior to issue of this Legal Opinion;
- the Company maintains its registered offices in Heidelberg which is the place from which the Company is in fact administered and where all Company related decisions are taken (*tatsächlicher Verwaltungssitz*) as well as its effective place of management (*tatsächliche Geschäftsleitung*).

III. Legal Opinion

On the basis of our review of the Opinion Documents and subject to the assumptions and qualifications set forth above and below, we are of the opinion as of today's date that:

1. The Borrower is a German stock corporation duly organized and validly existing under the laws of Germany, and has the corporate power and authority to execute and deliver, and to perform and observe the provisions of, the Loan Documents.
2. The Loan Documents have each been duly authorized, executed and delivered by the Borrower.
3. The execution and delivery of the Loan Documents by the Borrower are not in violation of its Articles of Incorporation or Bylaws or any material German laws applicable to the Borrower.

IV. Qualifications

This Legal Opinion is subject to the following qualifications:

a) Where under the provisions of any document presented to us any party is vested with discretion or may determine a matter in his opinion, German law may require that such discretion be exercised reasonably or that such opinion be based on reasonable grounds. Provisions which purport that any determination, certificate or statement of account made or given by any party is to be final, conclusive or binding may not be enforced and will not prevent judicial enquiry into the merits of the matter and the basis of which such determination, certificate or statement of account is made.

b) Although German law, in general, recognizes the concept of irrevocability, a German court may limit the scope of this concept by applying restrictions for cause (*wichtige Gründe*), such as material changes in the underlying situation of the respective concerned party entitling it to withdraw a right irrevocably granted, or to challenge a notice or other expression of an intention or instruction which was stated to be irrevocable.

We are providing you with this letter solely in your capacity as "Lender" under the Facility Agreement. This letter is solely for your benefit in connection with the Credit Facility. Other than for this designated purpose this communication may not be used, forwarded to third parties or quoted without our consent, nor may you refer to this document when communicating with third parties except that it may be referenced in the Credit Facility and you may quote, use and refer to the letter in any legal proceeding related to the Credit Facility to which you are a party. Under no circumstances do we assume any liability whatsoever vis-à-vis third parties in connection with this letter, irrespective of legal reason and jurisdiction.

The statements which we make in this letter apply exclusively with effect as of today's date and are given solely on the basis of prevailing German law on this date and we do not comment on any future changes to the issues addressed in this letter.

This Legal Opinion is subject to German law.

Yours faithfully

CMS Hasche Sigle Partnerschaft von Rechtsanwälten und Steuerberatern mbB

SCHEDULE 15

24 JULY 2014

SHARE PLEDGE AGREEMENT

---

between

AFFIMED THERAPEUTICS AG

and

PCOF 1, LLC

C'M'S' Hasche Sigle

C'M'S' Hasche Sigle

CONTENTS

C'M'S' Hasche Sigle

THIS AGREEMENT ("**Agreement**") is entered into as of 24 July 2014, pursuant to Section 1309 et seq. of the Civil Code

BETWEEN:

(1) **Affimed Therapeutics AG**, a stock corporation (*Aktiengesellschaft*) organized under the laws of Germany with its registered seat in Heidelberg, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Mannheim under no. HRB 336536 with offices located at Technologiepark, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany, as pledgor

– hereinafter referred to as "**Pledgor**" –

(2) and **PCOF 1, LLC**, a limited liability company governed by the laws of Delaware, having its business address at 499 Park Avenue, 25th Floor, New York, New York 10022

– hereinafter referred to as "**Pledgee**" –

The persons listed in no. (1) to (2) above are also referred to collectively as the "**Parties**".

PREAMBLE

(A) Pursuant to a facility agreement dated July 24, 2014 made between the Pledgor as Borrower and the Pledgee as Lender ("**Facility Agreement**"), the Pledgee has agreed to make available to the Pledgor a facility up to the total amount of USD 14,000,000.00 (in words: US Dollars fourteen million) ("**Facility**").

(B) The Pledgee has agreed to make available to the Pledgor the Facility under the Facility Agreement on the condition that, among others, the Pledgor and the Pledgee enter into this Agreement in order to secure certain debts of the Pledgor under the Facility Agreement.

(C) The Pledgor wishes to enter into this Agreement in order to secure the debts towards the Pledgee resulting from the Facility Agreement by creating a pledge over the Share (as defined below) of the Pledgor in AbCheck s.r.o., a Czech limited liability company (*společnost s ručením omezeným*), with its registered office in Pilsen (*Plzeň*) – Skvrňany, Teslova 1202/3, Postal Code 301 00, Czech Republic, Id. No.: 284 71 512, registered with the regional court of Pilsen under C 24273 ("**Company**").

(D) The Company is a wholly owned subsidiary of the Pledgor.

NOW IT IS AGREED as follows:

1. DEFINED TERMS

Unless otherwise explicitly stated herein, capitalized terms used in this Agreement without definition shall have the meaning ascribed to them in the Facility Agreement and:

"**Civil Code**" means the Czech Act No. 89/2012 Coll., the Civil Code, as amended.

"**Commercial Register**" means a type of public register as defined in the Czech Act on Public Registers.

"**Czech Act on Public Registers**" means Czech Act No. 304/2013 Coll., on Public Registers of Entities and Natural Persons, as amended.

"**Default**" means any Default under the Facility Agreement.

"**Encumbrance**" means any pledge, burden, a limitation in accordance with Section 1309(2) or Section 1761 of the Civil Code, execution or any other right of a third party of whatever nature or any other agreement or arrangement having a similar effect.

"**Event of Default**" means any Event of Default under the Facility Agreement, subject to the cure period provided for in clause 21.14 (*Cure Period*) of the Facility Agreement.

"**Finance Documents**" means the Finance Documents and the Security Document(s) as defined in the Facility Agreement.

"**Memorandum of Association**" means the Company's deed of foundation dated 26 August 2011.

"**Pledge**" means the pledge of the Share to the Pledgee established in accordance with Clause 2.1 of this Agreement.

"**Secured Debts**" means any and all debts owing from the Pledgor to the Pledgee under the Facility Agreement, this Agreement or any other Finance Document, in each case irrespective of whether such debts are present or future, actual or contingent. Without limiting the generality of the foregoing the Secured Debts include:

(a) the principal amount of the Facility outstanding under the Facility Agreement and all of its statutory accessories (*příslušenství*);

(b) interest which would have accrued on any amount under (a) above but for the filing of an insolvency petition;

(c) fees, remunerations, costs and expenses, contractual penalties and other sanctions, as well as payments under the liability of indemnity;

(d) damages (*náhrada škody*) arising from a breach of obligations; and

(e) debts arising as a result of any potential withdrawal (*odstoupení*) from, or termination by notice (*výpověď)* or other cancellation of, any contractual obligation under the Finance Documents, and the recovery of unjust enrichment (*bezdůvodné obohacení*) in the event that any of the Finance Documents becomes, or proves to be, invalid, ineffective, apparent (*zdánlivá*) or unenforceable;

provided, however, that the debts stated under (b) through (e) above will be secured if they accrue on or before 1 July 2023 and up to the aggregate maximum principal amount of USD 18,000,000.00.

"**Share**" means the entire share (*podíl*) of the Pledgor in the Company. As of the date of signing this Agreement, the Share is a 100% share in the Company, corresponding to a fully paid-up contribution of CZK 11,004,000 to the registered capital of the Company, and 100% of voting rights in the Company.

2. PLEDGE OF THE SHARE

2.1 For the purpose of securing the timely and due payment and discharge in full of all of the Secured Debts, the Pledgor hereby irrevocably and unconditionally pledges the Share in favour of the Pledgee pursuant to Section 1309 *et. seq*. of the Civil Code.

2.2 The Pledgee hereby accepts the Pledge created in its favour over the Share.

2.3 During the term of the Pledge's existence, the Pledge shall also apply to any proceeds from the pledged Share such as claims to profit distributions and right to future liquidation proceeds ensuing from the pledged Share.

2.4 This Pledge shall survive, and shall not be affected by any change in the ownership structure or the legal status of the Company or the Pledgor until all Secured Debts are repaid in full.

3. CREATION OF SECURITY

3.1 The Pledge of the Share will be created upon its registration in favour of the Pledgee with the Commercial Register ("**Registration**").

3.2 The Pledgor is obliged to file the application for the registration of the Pledge in the Commercial Register with the relevant court within twenty (20) Business Days from the date of signing this Agreement. The Pledgor will undertake all reasonable efforts to ensure that the Registration is effected within twenty (30) Business Days from the date of signing this Agreement and the Pledgee will provide any and all reasonably requested cooperation. Upon the Registration being completed, the Pledgor undertakes to notify the Pledgee immediately that the same has occurred by delivering to the Pledgee the original extract from the Commercial Register in respect of the Company evidencing the due Registration.

3.3 The Pledgor shall pay the court fees to the relevant court for the Registration.

3.4 For the purpose of Section 12 of the Czech Act on Public Registers, the Pledgee hereby explicitly agrees that the Pledge shall be registered in its favour in the Commercial Register with identification of the Pledgee as the pledgee.

3.5 Notwithstanding Clause 3.2 above, the Pledgee shall have the right to submit a petition for the Registration independently of the Pledgor. If the Pledgee files such petition, the Pledgor shall provide the Pledgee immediately with any and all assistance it may reasonably require and, provided that the Pledgor has failed to file and sustain the petition for the Registration in accordance with this Agreement, forthwith pay, or reimburse the Pledgee for, any and all out of pocket costs and expenses reasonably incurred in connection with the proceedings for the Registration.

3.6 The Pledgor undertakes that unless with the consent of the Pledgee,

3.6.1 it shall not withdraw a petition for the Registration filed pursuant to Clause 3.2 unless the Pledgor immediately replaces the withdrawn petition with a petition it reasonably considers to be more effective in order to complete the Registration;

3.6.2 it shall not file a petition for the deletion of the Pledge from the Commercial Register; and

3.6.3 it shall not take any other steps that could result in such deletion of the Pledge.

4. COLLECTION AND VOTING RIGHTS

4.1 Upon the occurrence of an Event of Default which is continuing, the Pledgor shall, subject to Clause 7 of this Agreement, if so directed by the Pledgee in writing take all necessary steps to ensure that the Company directs to the Pledgee all payments or other benefits arising in connection with the Share up to the amount of the due but unpaid Secured Debts.

4.2 In the event of occurrence of an Event of Default which his continuing, the Pledgor shall if so directed by the Pledgee in writing, subject to Clause 7 of this Agreement, immediately cease to exercise any and all shareholder's rights related to the Share.

4.3 Subject to the aforesaid, the Pledgor shall, in exercising the voting rights relating to the Share, act in good faith to ensure that the pledge over the Share is not in any way adversely affected. The Pledgor undertakes to exercise such voting rights from time to time in such a way that, without the prior consent of the Pledgee no resolutions with respect to the reduction of the Company's registered capital or the termination and change of its existence or business are passed.

5. REPRESENTATIONS AND WARRANTIES

As of the date of signing this Agreement, the Pledgor represents and warrants to the Pledgee that all of these representations and warranties are true, accurate and complete:

5.1 the Pledgor is a company duly incorporated and validly existing under German law and has the power to own its assets and carry on its business as it is being conducted;

5.2 the Pledgor is the sole, unencumbered and lawful owner of the Share and has full and unencumbered rights with regard to the Share save for this pledge. The Share represents 100% share in the Company in existence at the date hereof and is fully paid up, and the Pledgor is a beneficiary of all voting rights related to the Share, free from any Encumbrance save for this pledge;

5.3 the Share is not subject to any Encumbrance and there is no agreement or option to create any Encumbrance save for this Pledge;

5.4 the Share does not form part of any cumulative asset (*věc hromadná*) already pledged and the Pledgor's rights in respect of the Share are not restricted in any other manner except for (i) potential limitations arising from the Memorandum of Association, (ii) any restrictions permitted under the Facility Agreement or (iii) imposed with the consent of the Pledgee. The Share or its parts do not form part of a family enterprise (*rodinný závod*);

5.5 the Share is not subject to any dispute or either real or alleged claim raised by a third person and the Pledgor has not received any written notice of any such dispute or either real or alleged claims and there are no due and unpaid obligations in relation to the Share;

5.6 the Memorandum of Association represents the current wording of the Company's memorandum of association or deed of foundation, and the creation of the pledge over the Share does not require approval of the Company's General Meeting;

5.7 the Pledgor or the shareholders of the Pledgor have not taken any corporate action nor have any other steps been taken or legal proceedings been started against the Pledgor for bankruptcy, liquidation, moratorium, winding-up, dissolution, administration or reorganization of the Pledgor;

5.8 the Pledgor is not insolvent, there is no impending insolvency (*hrozící úpadek*) with regard to the Pledgor, no insolvency proceedings have been initiated against the Pledgor, and no insolvency petition has been filed with an insolvency court against the Pledgor under any jurisdiction and that there is no administrative, court, arbitration or criminal proceeding in progress or impending, which could influence the capacity of the Pledgor to pledge the Share under this Agreement or meet the obligations of the Pledgor under this Agreement;

5.9 the Company is a limited liability company duly incorporated and validly existing under the Czech law and has the power to own its assets and carry on its business as it is being conducted;

5.10 the Company is not insolvent and there is no impending insolvency (*hrozící úpadek*) with regard to the Company. The Pledgor and/or the Company have not taken any action nor, to the best knowledge of the Pledgor after due inquiry, have any other steps been taken or legal proceedings been started against the Company for bankruptcy, liquidation, moratorium, winding-up, dissolution, administration or reorganization of the Company; and

5.11 to the best of the Pledgor's knowledge and belief, the Pledgor is not in arrears with tax or other similar payments towards the state of the Czech Republic.

6. UNDERTAKINGS

6.1 The Pledgor undertakes that, until the lapse of the Pledge pursuant to Clause 8, it shall:

6.1.1 deliver to the Pledgee the confirmation of the Company substantially in the form of Schedule 1 of this Agreement, duly signed by the statutory representative of the Company, within twenty (20) Business Days following the date of this Agreement;

6.1.2 notify the Pledgee in writing without undue delay after it becomes aware of any Encumbrance with respect to the Share, including any such right arising by operation of law or from a decision of a relevant authority;

6.1.3 refrain from any acts, which may reasonably be expected to negatively affect the enforcement of the Pledge by the Pledgee; and

6.1.4 at its own expenses, promptly do whatever is reasonably necessary, or whatever the Pledgee reasonably requires to perfect or protect the Pledge and the priority of the Pledge; or to facilitate the enforcement of the Pledge and the exercise of any rights vested in the Pledgee.

6.2 The Pledgor undertakes that, until the lapse of the Pledge pursuant to Clause 8, it shall not (unless, in each case, if expressly permitted in the Facility Agreement, in this Agreement or by the Pledgee):

6.2.1 create or permit to subsist any Encumbrance other than the Pledge created under this Agreement in respect of the Share or do anything, which prejudices the Pledgee's rights arising in connection with this Agreement;

6.2.2 sell, transfer, assign or otherwise dispose of the Share or a part of it (and/or any benefit of all or any of the Pledgor's rights attached to such Share or any part thereof) or attempt or agree to do so, or to pass a resolution that the Company be wound up;

6.2.3 amend or participate in the amendment of the Memorandum of Association or any other constitutional documents of the Company or any agreement (including a shareholders' agreement) in such manner that it restricts a transfer of all or any part of the Share in connection with any enforcement of the Pledge, or contains any other provision which could adversely affect or restrict the enforcement of the Pledge;

6.2.4 participate in any increase or reduction of the Company's registered capital, division of any part of the Share or any similar decision without the Pledgee's consent;

6.2.5 enter or agree to enter into any agreement or arrangement between the Pledgor and/or the Company and any shareholder(s) of the Company or any third party that may reasonably be expected to adversely affect the validity or effectiveness of this Agreement or the enforcement of the Pledge;

6.2.6 vote at any General Meeting of the Company or outside such General Meeting in favour of, any resolution concerning any reorganization, the transfer of more than 75 % of the Company's assets, consolidation, merger, dissolution, decrease of registered capital, issue or sale of securities, cancellation, modification or limitation of any rights attaching to the Share or on the distribution of the Company's profits (unless permitted under this Agreement or under any other Finance Document or unless expressly permitted by the Pledgee) or any other similar actions reasonably expected to have a material adverse effect on the rights of the Pledgee under this Agreement;

6.2.7 exercise any rights attached to the Share in a manner which would constitute an Event of Default or could reasonably be expected to be materially prejudicial to the validity or enforceability of the Pledge; or

6.2.8 take any steps which may reasonably be expected to adversely affect the existence, ranking or enforceability of the Pledge.

7. REALISATION OF THE PLEDGE

7.1 On the occurrence of an Event of Default which is continuing and if, in addition, the Pledgor has failed to meet all or part of its payment obligations in respect of any of the Secured Debts, the Pledgee shall be entitled to realize the Pledge over the Share, at the Pledgor's expense, in any manner of the Pledgee's choice permitted by any applicable legal regulations in force at the moment of realization of the Pledge or agreed under this Agreement, and use any proceeds from the Pledge for satisfaction of the Secured Debts, or proceed to protect and enforce its rights under this Agreement or under any applicable laws to the satisfaction of the Secured Debts, or to enforce its rights under this Agreement by such appropriate judicial or non-judicial proceedings that the Pledgee shall deem the most effective. The Pledgee shall be entitled, at its sole discretion, to realize the Pledge under this Agreement partially or wholly and at any time upon prior notice to the Pledgor change the manner of realization of the Pledge and to repeat the realization of the Pledge. The Pledgee shall notify the shareholders of the Company of commencement of the pledge realization. Notwithstanding any provision of any Finance Document, the Pledgee is obliged to proceed with Section 1365(1) of the Civil Code. By reference to the "Share" in this Clause 7 it refers to all shares or their parts in case of their division, in relation to which the Pledgee realizes the Pledge.

7.2 The Parties have agreed that the Pledge may be realized in any of the following ways at the election of the Pledgee (which methods may be in addition to the methods provided for by law at the time the Pledge is realized):

(a) the direct sale of the Share to a third party for a price no less than 80 % of the value of the Share unless otherwise agreed upon by the Parties. The value of the Share shall be determined by an expert appointed by the Pledgee, provided that if the Pledgor so requests then the Pledgee shall appoint a second expert chosen by the Pledgor and the value of the Share shall equal the arithmetic mean of the values determined by the two experts;

(b) the sale of the Share in a voluntary public auction in accordance with the provisions of Act No. 26/2000 Coll., on Public Auctions, as amended, or any legislation replacing it; and

(c) the sale of the Share in a public tender process on the most advantageous offer in accordance with the provisions of Section 1772 *et seq*. of the Civil Code, or any legislation replacing it.

7.3 In accordance with Section 1364 of the Civil Code, the Pledgee is entitled to realize the Pledge (i.e. to effect the sale of the Share) no earlier than thirty (30) days after the Pledgee has notified the Pledgor of the commencement of the pledge exercise pursuant to this Agreement.

7.4 The net proceeds arising from the realization of the Pledge under this Clause 7 shall be applied for the satisfaction of any and all of the Secured Debts in accordance with the Facility Agreement.

7.5 If the Pledgee does not succeed in selling the Share pursuant to Section 1326 of the Civil Code as set out in Clause 7.1, the Pledgee shall be entitled to exercise the rights connected with the pledged Share, commencing from the unsuccessful attempt to sell the Share. The Pledgee may agree with the Pledgor on accepting the Share as a payment of the Secured Debts in the form of an agreement on transfer of share pursuant to Section 1327 of the Civil Code and under the usual business terms. The Pledgee may exercise this right within one (1) month commencing from the unsuccessful attempt to sell the Share. Such agreement shall state that the Share is being transferred for the payment of the Secured Debts, specifying grounds and amount thereof. The transfer of the Share for the payment of the Secured Debts shall not be subject to approval of the Company's General Meeting (if otherwise required). The Pledgee shall be under no obligation to proceed with the transfer if it in its sole discretion decides so in any phase of such transfer process. The purchase price shall be set-off against the amount of the payable Secured Debts. The Pledgee shall pay to the Pledgor without undue delay after the transfer of the Share the amount agreed in the agreement on the transfer of the Share by which the purchase price exceeds the amount of the payable Secured Debts.

7.6 In connection with the realization of the Pledge by the Pledgee, the Pledgor undertakes to provide the Pledgee with all reasonably necessary assistance and cooperation, especially to procure and deliver all documents required for the realization of the Pledge.

7.7 The Parties have agreed on the following terms and conditions for the termination of the pledge over the Share as a result of deposition of a value (*složení ceny*) of the Share by the Pledgor to the Pledgee pursuant to Section 1377 (1) letter d) of the Civil Code:

(a) the Pledgor is obliged to notify the Pledgee in writing, at least 60 days in advance of its intention to deposit the value of the Share to allow for the execution of an expert valuation in accordance with (b) below;

(b) the value of the Share shall be determined by an expert appointed by the Pledgee without undue delay after the Pledgor notifies the Pledgee of its intention to deposit the value of the Share; provided that if the Pledgor so requests then the Pledgee shall appoint a second expert chosen by the Pledgor and the value of the Share for purposes of the deposition shall equal the arithmetic mean of the values determined by the two experts;

(c) the costs of such expert valuation shall be borne by the Pledgor; and

(d) the Pledgor shall provide the Pledgee and the expert(s) with all cooperation reasonably necessary or appropriate for determining the value of the Share; in particular, the Pledgor shall submit the entire documentation relating to the Share and the Company, as may be reasonably requested by the expert.

7.8 Any payment received by the Pledgee under this Agreement (especially the value of the Share deposited pursuant to Clause 7.7 shall be deposited in a special account of the Pledgee and shall be deemed to be a security (*jistota*) in accordance with Section 2012 *et seq*. of the Civil Code and may be used for the payment of due and payable Secured Debts.

7.9 The Pledgee undertakes to procure that, upon the realization of the Pledge, the Company remains obliged to realize at least ten further projects with the Pledgor under the framework agreement existing prior to the Event of Default on terms substantially similar to the terms that have been applicable to such projects prior to the Event of Default.

8. TERM OF THE PLEDGE

The Pledge is created upon the Registration and shall be in full force and effect until the due and full discharge of all Secured Debts. The Pledgee undertakes to provide the Pledgor promptly upon termination of the Pledge with a written confirmation (with certified signatures of duly authorised signatories) of the termination of the Pledge and to provide the Pledgor with all necessary assistance in case the Pledgor files a petition for deletion of the Pledge from the Commercial Register.

9. SUCCESSORS, TRANSFER, ASSIGNMENT

9.1 This Agreement shall be binding upon the Parties hereto and, to the extent legally possible, their respective successor(s) in law.

9.2 The Parties hereby agree that any person who is an assignee and transferee of the Pledgee pursuant to the Facility Agreement shall, upon such assignment and transfer being effected, becomes an assignee for the purpose of this Agreement, regardless of whether such transfer is made by way of an assignment (*Einzel- und/oder Gesamtrechtsnachfolge* including *Vertragsübernahme*) or novation or otherwise. The Pledgor hereby expressly consents (*willigt ein*) to any such transfer.

10. GENERAL

10.1 Notices

All notices which must or may be forwarded by one Party to another Party pursuant to the terms of this Agreement shall, unless expressly stated otherwise in this Agreement, be forwarded to the addresses and/or facsimile numbers and in the manner set forth in the Facility Agreement.

In case of a notice to the Company, the address and contact details are as follows:

AbCheck s.r.o., Pilsen (*Plzeň*) – Skvrňany, Teslova 1202/3, Postal Code 301 00, Czech Republic, Attention of: Dr. Volker Lang.

10.2 Exercise of Pledgee's Rights

The powers conferred on the Pledgee hereunder are solely to protect its rights under this Agreement. The Pledgee shall have no duty as to preserving any rights pertaining to the Share except for the duties of the Pledgee under applicable law of mandatory nature and except for the obligations of the Pledgee which it expressly undertook under this Agreement or any other Finance Document.

10.3 Waivers

No failure or delay on the part of the Pledgee in exercising any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power and privilege. The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies which the Pledgee would otherwise have. No notice to, or demand on, the Pledgor in any case shall entitle the Pledgor to any other or further notice or demand in respect of the same circumstances or constitute a waiver of the rights of the Pledgee of any other or further action in relation to such circumstances without notice or demand.

10.4 Statute of Limitations

Pursuant to Section 630(1) of the Civil Code, the Parties have agreed on 10 years contractual statute of limitation in relation to any right of the Pledgee arising under this Agreement, including any future debts of the Pledgor towards the Pledgee.

10.5 Entire Agreement

This Agreement constitutes the entire agreement between the Parties in respect of its subject matter and supersedes all prior agreements and undertakings of obligations, whether oral or written, between the Parties. It is being understood and agreed that this Agreement shall not supersede any of the provisions of the Facility Agreement, and to the extent that any of the terms contained herein conflict with those of the Facility Agreement, the provisions of the Facility Agreement shall prevail.

10.6 Severability

If any of the provisions of this Agreement shall be adjudged by any court or other competent tribunal to be invalid, ineffective, apparent (*zdánlivý*) or unenforceable, the validity, effectiveness and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and the Parties will use their best endeavours to revise the affected provision so as to render it enforceable in accordance with the intention expressed therein.

10.7 Language

10.7.1 This Agreement is executed in four (4) counterparts in English language.

10.7.2 This Agreement is made in the English language. For the avoidance of doubt, the English language version of this Agreement shall prevail over any translation of this Agreement. However, where a Czech translation of a word or phrase appears in the text of this Agreement, the Czech translation of such word or phrase shall prevail.

10.8 Amendments

This Agreement may only be amended, cancelled or terminated in writing. Any such amendment, cancellation or termination must be signed by both parties to this Agreement.

10.9 Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the Czech Republic, without regard to principles of conflicts of law.

10.10 Jurisdiction

Any disputes arising out of or in connection with this Agreement (including a dispute regarding the existence, validity, interpretation, breach or termination of this Agreement or the consequences of its nullity) shall be referred to and finally resolved by the Czech courts.

10.11 Costs

The Pledgor shall bear all reasonable out of pocket costs, fees and expenses relating to this Agreement, including without limitation any out of pocket costs, fees and expenses arising from any amendments to this Agreement or the registration, release, termination or enforcement of the Pledge.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SIGNATURES

Affimed Therapeutics AG

represented by:

Name:

Title:

(Notarised signature)

Name:

Title:

(Notarised signature)

PCOF 1, LLC

represented by:

Name:

Title:

(Notarised signature)

Name:

Title:

(Notarised signature)

Schedule 1
Form of Confirmation of the Company

Addressee: [—]

For the attention of: [—]

In [—] on [—]

Confirmation of Receipt of the Share Pledge Agreement

Dear Sirs,

We hereby confirm that **Affimed Therapeutics AG**, a stock corporation (*Aktiengesellschaft*) organized under the laws of Germany with its registered seat in Heidelberg, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Mannheim under no. HRB 336536 with offices located at Technologiepark, Im Neuenheimer Feld 582, 69120 Heidelberg, Germany, as Pledgor delivered to us on [•] the Share Pledge Agreement entered into by and between the Pledgor and **PCOF 1, LLC**, a limited liability company governed by the laws of Delaware, having its business address at 499 Park Avenue, 25th Floor, New York, New York 10022, as Pledgee in respect of the Pledge of the 100 % share of the Pledgor in our company **Abcheck s.r.o.**, a Czech limited liability company (*společnost s ručením omezeným*), with its registered office in Pilsen (*Plzeň*) – Skvrňany, Teslova 1202/3, Postal Code 301 00, Czech Republic, Id. No.: 284 71 512, registered with the regional court of Pilsen under C 24273. Capitalized terms used herein have the meanings ascribed to them in the Share Pledge Agreement.

The Company:
AbCheck s.r.o.

_____

Name:
Title:

SCHEDULE 16

Account Pledge Agreement

(*Kontenverpfändungsvertrag*)

between

Affimed Therapeutics AG

and

PCOF 1, LLC

MORRISON
FOERSTER

Table of Contents

This first-ranking account pledge agreement (*erstrangiger Kontenverpfändungsvertrag*) is dated July 24, 2014 and made by and among

1) **Affimed Therapeutics AG**, a stock corporation governed by German law (*Aktiengesellschaft*) having its corporate seat in Heidelberg, Germany and business address at Im Neuenheimer Feld 582, 69120 Heidelberg, registered with the local court (*Amtsgericht*) of Mannheim under number HRB 336536

- the "**Pledgor**" -

and

2) **PCOF 1, LLC,** a limited liability company governed by the laws of Delaware, having its business address at 499 Park Avenue, 25th Floor, New York, New York 10022

- the "**Pledgee**" -

- The Pledgor and the Pledgee collectively referred to as the "**Parties**", each a "**Party**" -

PREAMBLE

(A) On July 24, 2014, the Pledgor and the Pledgee entered into a facility agreement ("**Facility Agreement**") which provides for a loan of USD 14,000,000.00 ("**Credit Facility**").

(B) The Shareholders of the Pledgor intend to contribute all their shares in the Pledgor in an entity governed by Dutch law ("**Dutch Guarantor**"). After this contribution the Dutch Guarantor will join the Facility Agreement as guarantor.

(C) It is a condition to the Pledgee making the Credit Facility available under the Facility Agreement that the Pledgor enters into this Agreement.

Now and therefore the Parties agree as follows:

Capitalized terms used herein and not otherwise defined shall have the meaning assigned to them in the Facility Agreement.

1. PLEDGE OF ACCOUNTS

1.1 Pledge

The Pledgor hereby pledges (*verpfändet*) to the Pledgee:

1.1.1 all its present and future rights and claims which it has against any financial institution listed in **Annex 1** (List of Account Banks and Pledged Accounts) (the "**Account Banks**", and each of them an "**Account Bank**"), in connection with,

(a) all cash accounts maintained with any Account Bank and any sub-accounts thereof (the "**Present Pledged Accounts**"), in particular, but not limited to, all claims for cash deposits and credit balances (*Guthaben und positive Salden jeder Art*) of the Present Pledged Accounts, and all claims for interest;

(b) all present cash investments or cash deposits including call money deposits (*Tagesgeldeinlagen*), time deposits (*Termineinlagen*) (including but without limitation fixed deposits (*Festgeldeinlagen*) and termination monies (*Kündigungsgelder*)) and saving deposits (*Spareinlagen*) and investments for cash market transactions (*Geldhandelsgeschäfte*) with any Account Bank (for example claims for payment and repayment of any amounts arising under these investments or deposits including all claims for interest related thereto) (the "**Present Cash Investments**"), whether or not the Present Cash Investments are booked in one of the Present Pledged Accounts (the "**Present Pledged Investment Claims**");

(c) but in each case excluding special accounts for increases of the share capital (*Kapitalerhöhungssonderkonten*) listed in Annex 2 ("**Present Capital Increase Accounts**") and any present and future rights and claims pertaining to the Present Capital Increase Accounts.

1.1.2 all its future rights and claims which it will have against any of the Account Banks in respect of

(a) all future cash accounts maintained with any Account Bank and any sub-accounts thereof (the "**Future Pledged Accounts**" and together with the Present Pledged Accounts the "**Pledged Accounts**") which the Pledgor will hold with any of the Account Banks, in particular, but not limited to, all claims for cash deposits and credit balances (*Guthaben und positive Salden jeder Art*) of the Future Pledged Accounts and all claims for interest;

(b) all future cash investments or cash deposits including call money deposits (*Tagesgeldeinlagen*), time deposits (*Termineinlagen*) (including but without limitation fixed deposits (*Festgeldeinlagen*) and termination monies (*Kündigungsgelder*)) and saving deposits (*Spareinlagen*) and investments for cash market transactions (*Geldhandelsgeschäfte*) with any Account Bank (for example claims for payment and repayment of any amounts arising under these investments or deposits including all claims for interest related thereto) (the "**Future Cash Investments**"), whether or not the Future Cash Investments are booked in one of the Pledged Accounts (the "**Future Pledged Investment Claims**" and together with the Present Pledged Investment Claims the "**Pledged Investment Claims**");

(c) but in each case excluding future special accounts for increases of the share capital (*Kapitalerhöhungssonderkonten*) ("**Future Capital Increase Accounts**"; Present Capital Increase Accounts and Future Capital Increase Accounts together "**Capital Increase Accounts**") and any future rights and claims pertaining to the Future Capital Increase Accounts.

(The Pledged Accounts and the Pledged Investment Claims are hereinafter referred to as the "**Pledged Claims**". The first-ranking pledges created under this Clause 1.1 (First-Ranking Pledge) are hereafter referred to as the "**First-Ranking Pledges**".)

1.1.3 For the avoidance of doubt, Capital Increase Accounts and all present and future rights and claims pertaining to Capital Increase Accounts shall not be pledged.

1.2 Legal successor

The First-Ranking Pledge in the Future Pledged Accounts and Future Pledged Investment Claims includes Future Pledged Accounts and Future Pledged Investment Claims of any legal successor (*Gesamtrechtsnachfolger*) of the Pledgor with any Account Bank.

1.3 Secured Claims

1.3.1 The First-Ranking Pledges shall secure all existing and future claims (*Ansprüche*) (whether actual or contingent and whether owned jointly or severally or in any other capacity whatsoever) of the Pledgee against the Pledgor, the Dutch Guarantor and any other Obligor (as defined under the Facility Agreement) arising under or in connection with the Facility Agreement (the "**Secured Claims**").

1.3.2 The term "**Facility Agreement**" as referred to in Clause A and 1.3.1(Secured Claims) above shall mean Facility Agreement and any other document entered into by any Obligor in relation thereto, each as extended (including by way of increase of existing tranches or by including new tranches), amended, varied, novated or supplemented from time to time. The Pledgor hereby expressly agrees that the provisions of § 1210 para. 1 sent. 2 of the German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**") shall not apply to this Agreement.

1.3.3 The Secured Claims shall include in particular any claims for the payment of principal, interest, costs, fees and damages based on contract, unjust enrichment (*ungerechtfertigte Bereicherung*) or tort (*Delikt*).

1.4 Acceptance of First-Ranking Pledges

The Pledgee hereby accepts the First-Ranking Pledges.

2. RIGHT TO DISPOSE

2.1 Authorisation

2.1.1 The Pledgor shall be authorised to dispose alone of any amounts standing to the credit of the Pledged Accounts in the ordinary course of its business unless and until the Pledgee revokes such authorisation.

2.1.2 The same applies to the Pledged Investment Claims.

2.2 Revocation

The Pledgee may revoke the authorisation under Clause 2.1 (Authorisation) above by giving notice towards either the Account Banks or the Pledgor upon the occurance of an Enforcement Event as defined in Clause 7 (Enforcement of First-Ranking Pledges) below for as long as the Enforcement Event is continuing. In the event of a revocation towards the Account Banks, the Pledgee shall provide the Pledgor with a copy of such revocation. In the event of a revocation towards the Pledgor, the Pledgee shall provide the Account Banks with a copy of such revocation.

2.3 Termination of Pledged Accounts maintained as current accounts

2.3.1 In relation to each Pledged Account maintained as a current account, the Pledgor hereby assigns to the Pledgee all its rights to (i) terminate the relevant account relationship and to (ii) determine and acknowledge the present balance.

2.3.2 The Pledgor shall be authorised to exercise the rights set out in Clause 2.3.1 (Termination of Pledged Accounts maintained as current accounts) alone, subject to the provisions of this Agreement, unless and until the Pledgee revokes such authorisation.

2.3.3 The Pledgee may revoke the authorisation granted in Clause 2.3.2 (Termination of Pledged Accounts maintained as current accounts) and exercise the rights referred to in Clause 2.3.1 (Termination of Pledged Accounts maintained as current accounts) under the same conditions under which it may revoke the authorisation under Clause 2.1 (Authorisation) which are set out in Clause 2.2 (Revocation).

3. NOTIFICATION OF FIRST-RANKING PLEDGE

3.1 Promptly (*unverzüglich*), however, not later than 5 (five) Business Days after execution of this Agreement, the Pledgor will send to each Account Bank by registered mail with receipt of delivery (*Einschreiben mit Rückschein*) a notification letter substantially in the form attached hereto as Annex 3 (Form of First-Ranking Notification) on its own letterhead ("**Notification**").

3.2 The Pledgor will provide the Pledgee with a copy of the receipt of delivery (*Rückschein*) promptly upon receipt of such document.

3.3 The Pledgor will use its best endeavours to procure that a confirmation of receipt of the Notification in form of an acknowledgement by each Account Bank will be delivered to the Pledgee promptly, however not later than 15 (fifteen) Business Days after execution of this Agreement.

3.4 If the Pledgee does not receive a sufficient acknowledgment of one of the Account Banks within the 15 (fifteen) Business Days' period set out in Clause 3.3 (Notification of First-Ranking Pledge) above and/or in any case of urgency, the Pledgee shall be entitled to notify the respective Account Bank of the First-Ranking Pledges by sending a Notification and ask for an acknowledgment on behalf of the Pledgor. The Pledgor hereby authorises the Pledgee to notify the Account Banks. The Pledgor will use its best endeavours to support such request of the Pledgee.

4. REPRESENTATIONS

4.1 The Pledgor hereby represents that:

4.1.1 the Pledgor is duly incorporated and validly existing under the laws of the Federal Republic of Germany;

4.1.2 the Pledgor is the sole and legal owner of the Present Pledged Accounts and Present Pledged Investment Claims and authorised to dispose of the Present Pledged Accounts and Present Pledged Investment Claims without any restrictions, and none of the Present Pledged Accounts and Present Pledged Investment Claims is either pledged or assigned to other persons and no rights of third parties exist in relation thereto other than the pledges in favour of the Account Banks pursuant to their respective general terms of business;

4.1.3 the Pledgor is the sole economic beneficiary (*wirtschaftlich Berechtigter*) within the meaning of section 1 paragraph 6 of the German Money Laundering Act (*Gesetz über das Aufspüren von Gewinnen aus schweren Straftaten (Geldwäschegesetz)*) of all amounts standing to the credit of the Accounts and that it neither does nor did act for the account of any third person in connection with the opening or the maintenance of any of the Accounts;

4.1.4 all Present Pledged Accounts and Present Pledged Investment Claims are governed by German law;

4.1.5 it is neither unable to pay its debts when they fall due (*zahlungsunfähig*) within the meaning of section 17 of the German Insolvency Code (*Insolvenzordnung*) nor subject to any insolvency proceedings (*Insolvenzverfahren*) (or other or similar proceedings under the laws of any other applicable jurisdiction) or any refusal

of opening insolvency proceedings for insufficiency of assets (*Abweisung mangels Masse*) (within the meaning of section 26 of the German Insolvency Code (*Insolvenzordnung*)), and that it has not filed an application for the opening of insolvency procedures (*Antrag auf Eröffnung eines Insolvenzverfahrens*); and

4.1.6 the accounts listed in Annex 1 (List of Account Banks and Pledged Accounts) are all the cash accounts that the Pledgor holds (except the Present Capital Increase Accounts) and the information provided in Annex 1 (List of Account Banks and Pledged Accounts) is complete and correct.

4.1.7 the accounts listed in Annex 2 (List of Present Capital Increase Accounts) are all the Present Capital Increase Accounts that the Pledgor holds and the information provided in Annex 2 (List of Present Capital Increase Accounts) is complete and correct.

4.2 Times of making Representations

The representations set out in Clause 4.1:

4.2.1 shall be made on each drawdown under the Facility Agreement; and

4.2.2 are made on the date hereof and shall be repeated on each date on which any of the representations and warranties set out in the Facility Agreement are repeated, with reference to the facts and circumstances then existing.

5. UNDERTAKINGS

5.1 Maintenance of Pledged Claims

The Pledgor undertakes not to enter into any agreement with or to give any instructions to any Account Bank which may reasonably be expected to negatively affect the existence or enforceability of any of the First-Ranking Pledges. This Clause 5.1 (Maintenance of Pledged Claims) does not affect the Pledgor's right according to Clause 2.1 (Authorisation). In particular (but not limited to), the Pledgor undertakes not to

5.1.1 grant any security or otherwise encumber any of the Pledged Claims or parts thereof (except for security interests arising under the Account Bank's standard business terms);

5.1.2 grant to any third party any rights in respect of the Pledged Claims (*keine Und-Konten oder Oder-Konten oder sonstige Rechte Dritter*);

5.1.3 open any sub-accounts to the Pledged Accounts; and

5.1.4 close any Pledged Account unless required pursuant to Clause 5.3.3 (Waiver/Subordination by Account Banks) without the prior written consent of the Pledgee.

5.2 Other Accounts

5.2.1 The Pledgor undertakes not to establish or maintain any cash accounts with banks other than the Account Banks and Future Capital Increase Accounts without the prior written consent of the Pledgee such consent not to be unreasonably withheld.

5.2.2 Upon the opening of a new cash account governed by German law with any of the Account Banks and/or the opening of any Future Capital Increase Accounts, both after the date of this Agreement and in accordance with this Agreement, the Pledgor undertakes to promptly notify the Pledgee of such new account and to transmit to the Pledgee a copy of the account documents.

5.3 Waiver/Subordination by Account Banks

5.3.1 The Pledgor undertakes to use its best endeavours to procure that as soon as possible from the date of this Agreement each Account Bank waives or, with respect to a pledge, agrees on the subordination of any pledge, right to set-off and right to retention it may have in respect of the Present Pledged Accounts and Present Pledged Investment Claims, including any pledge established by operation of its general business terms, by countersigning and returning a waiver letter in the form of Annex 4 (Waiver /Subordination Letter) to the Pledgor and to the Pledgee.

5.3.2 The Pledgor undertakes to use its best endeavours to procure that as soon as possible from the opening of a new cash account in accordance with Clause 5.2 (Other Accounts) each Account Bank waives or, with respect to a pledge, agrees on the subordination of any pledge, right to set-off and right to retention it may have in respect of the respective Future Pledged Account and Future Pledged Investment Claim, including any pledge established by operation of its general business terms, by countersigning and returning a waiver letter in the form of Annex 3 (Waiver /Subordination Letter) to the Pledgor and to the Pledgee.

5.3.3 If the Pledgee has not received a Waiver/Subordination Letter from an Account Bank within 15 (fifteen) Business Days from the date of this Agreement or the opening of a new account in accordance with Clause 5.2 (Other Accounts), respectively, the Pledgor undertakes, upon request of the Pledgee, (i) to promptly close the Pledged Account(s) held with such Account Bank and to transfer all amounts standing to the credit of such Pledged Account(s) to an account pledged in favour of the Pledgee which is not subject to any prior ranking pledge, right to set-off or right to retention and (ii) to terminate the Pledged Investment Claims with such Account Bank promptly and with the shortest possible notice period and to invest the relevant cash in such way that they are pledged in favour of the Pledgee in a form of investment which is not subject to any prior ranking pledge, right to set-off or right to retention.

5.3.4 This Clause 5.3 (Waiver/Subordination by Account Banks) does not affect any right which the Pledgee may have under the Facility Agreement for reason of any Account Bank not waiving or subordinating, as the case may be its rights in respect of a Pledged Account.

5.4 Waiver of Confidentiality

The Pledgor undertakes to declare to each Account Bank (substantially in the form set out in Annex 2 (Form of Notification)) that it waives all rights of confidentiality (*Bankgeheimnis*) in relation to the Pledged Claims and that it instructs and authorises each Account Bank to give to the Pledgee any information requested by it concerning any of the Pledged Claims. The Pledgor undertakes not to revoke such instruction and authorisation for as long as this Agreement is in force.

5.5 Other Undertakings

The Pledgor undertakes:

5.5.1 to procure that all its present and future receivables (excluding receivables resulting from increases of the share capital) are duly paid into any of the Pledged Accounts and that any and all of its debtors will be instructed to make payments into any of the Pledged Accounts;

5.5.2 to make (at its own costs) all further declarations and/or to do any further acts which are necessary for the creation or perfection of the First-Ranking Pledges;

5.5.3 not to enter into any merger (*Verschmelzung*) within the meaning of the German Transformation Act (*Umwandlungsgesetz*) with a new legal entity as transferee entity (*übernehmende Gesellschaft*), unless, upon request of the Pledgee, the future legal successor enters into an account pledge agreement, substantially in the form of this Agreement, in relation to such future pledged accounts and future pledged investment claims of the legal successor that would have been pledged under this Agreement if the Pledgor had not been merged onto the legal successor;

5.5.4 to deliver to the Pledgee promptly after the Pledgee has given notice under Clause 2.2 (Revocation), the original of any account book (*Sparbuch*) and any other document which is necessary to dispose over any of the Pledged Claims; and

5.5.5 to refrain from any acts or omissions which may reasonably be expected to have an indirect or direct adverse effect on the validity or enforceability of the First-Ranking Pledges (or any part thereof) or the value of rights and claims pledged hereunder.

5.5.6 to use the Capital Increase Accounts for any other banking activities except the receipt of capital in connection with increases of share capital and the transfer of this receipt capital to a Pledged Account.

6. INFORMATION

6.1 Information on Accounts

The Pledgor will deliver to the Pledgee at the end of each calendar quarter (within 10 (ten) Business Days after the end of each calendar quarter) and promptly (*unverzüglich*) upon the occurrence of an Event of Default under the Facility Agreement, subject to the cure period provided for in Clause 21.14 (*Cure Period*) of the Facility Agreement, any up-to-date account statement sheet (*Kontoauszüge*) and up-to-date notice of the Account Banks in respect of the Pledged Claims.

6.2 Information on request

Upon reasonable request of the Pledgee, the Pledgor will within 3 (three) Business Days provide the Pledgee with all information and proof and will hand over any records and documents relating to the Pledged Claims necessary or expedient to exercise the Pledgee's rights under this Agreement (in particular (but not limited to) the account opening documents, agreements between an Account Bank and the Pledgor, statement sheets and notices of the Account Banks) and to permit the Pledgee and any of its agents to inspect, audit and make copies of and extracts from all such records and documents at all times during business hours. The Pledgee will treat such information as confidential.

6.3 Information in electronic form

The Pledgor shall be entitled to fulfil its information obligations under Clause 6.1 (Information on Accounts) and 6.2 (Information on request) above by providing information in electronic form (except where original documents are requested by the Pledgee), provided that such information can be read with the Pledgee's standard office software.

6.4 Information on attachment

The Pledgor will promptly inform the Pledgee in writing if the Pledgee's rights under this Agreement are endangered by attachment (*Pfändung*) or if any other circumstances arise which might materially impair the rights of the Pledgee. In the event of an attachment, the Pledgor will promptly forward to the Pledgee a copy of the attachment order (*Pfändungsbeschluss*), any transfer order (*Überweisungsbeschluss*) and all other documents necessary for a defence against the attachment. The Pledgor will promptly inform the attaching creditor (*Pfändungsgläubiger*) or other third party in writing of the Pledgee's rights under the First-Ranking Pledges. All out of pocket costs and expenses for any measures of intervention reasonably requested by the Pledgee will be borne by the Pledgor.

7. ENFORCEMENT OF FIRST-RANKING PLEDGES

7.1 Enforcement Event

If (i) the Secured Claims become due and payable in whole or in part (*Pfandreife*) and are not discharged and (ii) an Event of Default under the Facility Agreement, subject to the cure period provided for in Clause 21.14 (*Cure Period*) of the Facility Agreement, has occurred and is continuing (an "**Enforcement Event**"), the Pledgee is entitled to enforce its rights under this Agreement.

7.2 Procedure

7.2.1 Collection

(a) Upon the occurrence of an Enforcement Event the Pledgee may immediately avail itself of all rights and remedies of a pledgee upon default under the laws of the Federal Republic of Germany, in particular as set forth in §§ 1273 para. 2, 1204 et. seq. BGB including, without limitation, the right to collect any claims or credit balances (*Einziehung*) under the Pledged Claims pursuant to §§ 1282 para. 1, 1288 para. 2 BGB or in any other way permitted under German law.

(b) The Pledgor expressly agrees that, in case the Pledgee seeks enforcement notwithstanding § 1277 sent. 1 BGB, no prior obtaining of an enforceable court order (*vollstreckbarer Titel*) will be required.

7.2.2 Notification of Enforcement

The Pledgee shall notify the Pledgor not less than 1 (one) week prior to any enforcement of the First-Ranking Pledges unless

(a) the Pledgor generally has ceased to make payments (*Zahlungseinstellung*);

(b) an application has been filed for the opening of insolvency proceedings (*Antrag auf Eröffnung eines Insolvenzverfahrens*) over the assets of the Pledgor unless the application is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement; or

(c) it is necessary in the reasonable opinion of the Pledgee to protect its legitimate interests

in which cases no notification of the Pledgor will be required.

7.3 Selection

The Pledgee may at its sole discretion determine which of several security interests (*persönliche oder dingliche Sicherheiten*), created under this Agreement or other agreements, shall be realised to satisfy the Secured Claims.

7.4 Assistance

The Pledgor will render at its own expense all assistance, which the Pledgee reasonably considers necessary or expedient, in order to facilitate the enforcement of the First-Ranking Pledges in the event the Pledgee seeks the enforcement of the First-Ranking Pledges in accordance with the terms of this Agreement and the statutory provisions.

7.5 Application of proceeds

The Pledgee will use any proceeds received from the Pledged Claims for the settlement of the Secured Claims. Any amount exceeding the Secured Claims will be paid to the Pledgor upon complete and irrevocable satisfaction of all Secured Claims.

8. EXPIRATION OF SECURITY INTEREST UPON SATISFACTION OF SECURED CLAIMS

The First-Ranking Pledges will expire by operation of law when all Secured Claims are fully and finally discharged. Upon request and at the cost of the Pledgor, the Pledgee will confirm the expiration of the First-Ranking Pledges to the Pledgor as a matter of record.

9. RELEASE OF SECURITY INTEREST UPON REQUEST

If at any time prior to complete and irrevocable satisfaction of the Secured Claims the value of the aggregate security granted by the Pledgor to secure the Secured Claims (the "**Security**") which can be expected to be realised in the event of an enforcement of the Security (*realisierbarer Wert*) exceeds 110% of the value of the Secured Claims (the "**Limit**") not only temporarily (*endgültige Übersicherung*), the Pledgee will upon request of the Pledgor in its discretion release such part of the Security so as to reduce the realisable value of the Security to the Limit.

10. INDEMNITIES

10.1 Disclaimer

The Pledgee or any of its agents will not be liable for any loss or damage which is suffered by the Pledgor, save in respect of such loss or damage which is suffered as a result of gross negligence or wilful misconduct (*grobe Fahrlässigkeit oder Vorsatz*) or the breach of an obligation by the Pledgee or any of its agents, the performance of which is essential to the proper performance of this Agreement and compliance with which the parties could be expected to rely upon (*Kardinalpflichten*).

10.2 Indemnities

10.2.1 The Pledgor will indemnify the Pledgee and any of its agents against any losses, claims, out of pocket expenses and liabilities which may be made against or reasonably incurred by the Pledgee or any of its agents for anything done or omitted in the exercise or purported exercise of the powers under this Agreement or occasioned by any breach by the Pledgor of any of its obligations or undertakings under this Agreement.

10.2.2 There will be no indemnification under Clause 10.2.1 (Indemnities) above, to the extent that such losses, claims, expenses and liabilities are incurred by or made against the Pledgee or any of its agents as a result of gross negligence or wilful misconduct (*grobe Fahrlässigkeit oder Vorsatz*) or the breach of an obligation of the Pledgee or any of its agents the performance of which is essential to the proper performance of this Agreement and the compliance with which the parties could be expected to rely upon (*Kardinalpflichten*).

11. CONTINUATION

11.1 Continuing security

This Agreement shall create continuing security and any change or amendment whatsoever to the Facility Agreement or any document or agreement relating thereto shall neither affect the validity of this Agreement nor the obligations which are imposed on the Pledgor pursuant to it. The same applies in the event of a temporary expiration of the Secured Claims.

11.2 Assignment

11.2.1 Any assignment of any of the Secured Claims in whole or in part will, by operation of law, lead to a corresponding transfer of the First-Ranking Pledges created hereby or a corresponding portion thereof in whole or in part which shall rank equally with the initial First-Ranking Pledges created hereunder.

11.2.2 Waiving § 418 BGB, the parties hereto agree that the security created hereunder shall not be affected by any transfer, novation or assumption of obligations of any Obligor arising under or in connection with the Facility Agreement to, or by, any third party.

11.3 Substitution of the Pledgee

The Pledgor undertakes to enter into any agreement reasonably required by the Pledgee and otherwise to do whatever is reasonably required by the Pledgee if the Pledgee transfers its rights and obligations under the Facility Agreement (in particular the claims arising under the Facility Agreement) wholly or partially to a third party. In particular, the Pledgee may require the Pledgor to create new first-ranking pledges over the Pledged Claims in favour of the third party or another person designated by the Pledgee. To the extent that the Pledgee transfers this Agreement and its rights and obligations under the Facility Agreement (in particular the claims arising under the Facility Agreement) to a third party, the Pledgee may also transfer its rights and obligations under this Agreement to which the Pledgor hereby explicitly consents.

11.4 Substitution of the Pledgor

The Pledgor may not transfer its rights and obligations under this Agreement without the prior written consent of the Pledgee.

12. NOTICES AND COMMUNICATION

12.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or overnight courier to the following addresses:

12.1.1 If to the Pledgor

AFFIMED THERAPEUTICS AG
Technologiepark, Im Neuenheimer Feld 582
69120 Heidelberg, Germany
Attn: Dr. Florian Fischer
Fax: +49 6221 65307 77
Email: f.fischer@affimed.com

with a copy to

CMS Hasche Sigle
Partnerschaft von Rechtsanwälten und Steuerberatern mbB
Nymphenburger Straße 12
80335 Munich, Germany
Attn: Stefan-Ulrich Müller
Fax: +49 89 23807 40667
Email: Stefan-Ulrich.Mueller@cms-hs.com

12.1.2 If to the Pledgee

Perceptive Advisors LLC
499 Park Avenue, 25th Floor
New York, New York 10022
United States of America
Attn: Sandeep Dixit
Email: Sandeep@perceptivelife.com

with a copy to:

Morrison & Foerster LLP
Potsdamer Platz 1
10785 Berlin, Germany
Attn: Jörg Meißner
Fax: +49 30 726 221 130
Email: jmeissner@mofo.com

12.2 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective when received (*zugegangen*), in particular:

12.2.1 if by way of fax, when received in legible form; or

12.2.2 if by way of overnight courier, when it has been left at the relevant address.

12.3 Notification of address and fax number

Promptly upon changing its address or fax number, each party shall notify the other Parties.

12.4 English language

12.4.1 Any notice given under or in connection with this Agreement must be in English.

12.4.2 All other documents provided under or in connection with this Agreement must be:

(a) in English; or

(b) if not in English, and if so required by the Pledgee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

13. MISCELLANEOUS

13.1 Interpretation

In case of doubt, the meaning of the German expressions used in this Agreement prevails over the meaning of the English expressions to which they relate.

13.2 Remedies cumulative

No failure or delay on the part of the Pledgee to exercise any power, right or remedy hereunder shall operate as a waiver thereof, nor shall any single or any partial exercise of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

13.3 Reimbursement and costs

The Pledgor bears all costs (including legal fees) arising in connection with this Agreement. The Pledgor undertakes to reimburse the Pledgee on demand for all out of pocket costs and expenses reasonably incurred in connection with the negotiation, preparation, printing, execution and amendment of this Agreement, the enforcement of the First-Ranking Pledges and the exercise of any other rights of the Pledgee in connection with this Agreement. The aforementioned restriction regarding reasonability shall not apply with respect to any and all costs and expenses incurred in connection with the enforcement of the First-Ranking Pledges. All amounts due under this Clause 13.3 shall be subject to Clause 15.4 (*Expense Deposit*) of the Facility Agreement.

13.4 Denomination of Accounts

The First-Ranking Pledges over the Present Pledged Accounts remain effective regardless whether the denomination of the Present Pledged Accounts as mentioned in Annex 1 hereto is accurate.

13.5 Partial invalidity

If any of the provisions of this Agreement is or becomes invalid or unenforceable in whole or in part for whatever reason, including a violation of any laws applicable to it, the validity of the other provisions hereof and any other Secured Document is not and shall not be affected. In the event of an invalid, unenforceable or impractical (*wirtschaftlich unmöglich*) provision, such provision shall be replaced by a valid, enforceable and practical provision or arrangement, that corresponds as closely as possible to the invalid, unenforceable or impractical provision and to the parties' economic aims pursued by and reflected in this Agreement. The same applies in the event that this Agreement does not contain a provision necessary to achieve the economic purpose expressed in this Agreement (*Regelungslücke*).

13.6 Changes

Changes, amendments and waivers of any provision of this Agreement including this Clause 13.6 (Changes) are only valid if made in writing, unless notarisation or another form is required by law.

13.7 Governing law

This Agreement is governed by the laws of the Federal Republic of Germany, without regard to principles of conflicts of law.

13.8 Jurisdiction

The courts of Frankfurt am Main, Germany have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement).

This Agreement has been entered into at the date stated at the beginning of this Agreement.

Affimed Therapeutics AG

PCOF 1, LLC

PCOF 1, LLC

Annex 1
List of Account Banks and Pledged Accounts
(Non exclusive with respect to the Pledged Accounts)

Deutsche Bank Heidelberg

Account	*Account-Nr.*	*BIC-Code:*
Current account	014080600	DEUTDESM672
Flexmoney 10	014080610	DEUTDESM672
CHF foreign currency account	014080610	DEUTDESM672
GBP foreign currency account	014080600	DEUTDESM672
USD foreign currency account	014080601	DEUTDESM672
Savings Account 60	014080660	DEUTDESM672

H+G Bank Heidelberg eG, Volksbank Kurpfalz

Account	*Account-Nr.*	*BIC-Code:*
Current account	60586608	GENODE61HD3
Savings Account	5760586600	GENODE61HD3

Annex 2
List of Present Capital Increase Accounts

Deutsche Bank Heidelberg

Account	*Account-Nr.*	*BIC-Code:*
present capital increase account 3	014080603	DEUTDESM672
present capital increase account 4	014080604	DEUTDESM672

Annex 3
Form of Notification

[Please print on letterhead of the Pledgor/Bitte auf Briefkopf des Verpfänders ausdrucken]

To: *[please insert name and address of Account Bank]*

Date: *[please insert date of this notice]*

Notification of first-ranking pledge of accounts and cash investments

Dear Sirs,

We hereby notify you that we have pledged all our present and future claims (including any ancillary rights, e.g. claims for interest, costs or damages) which we have against you in respect of

(1) all present cash account(s) (cheque accounts, deposit accounts, fixed deposit accounts or any other accounts) maintained with you and any future cash account which will be maintained with you and any sub-accounts thereof, (the "**Pledged Account(s)**"), in particular, but not limited to, all claims for cash deposits and credit balances (*Guthaben und positive Salden jeder Art*) of the Pledged Account(s) and all claims for interest; this concerns in particular (but not limited to) the following cash account(s):

[Please insert number and description of accounts]; and

Verpfändungsanzeige

Sehr geehrte Damen und Herren,

hiermit zeigen wir Ihnen an, dass wir unsere sämtlichen gegenwärtigen und zukünftigen Ansprüche gegen Sie (einschließlich sämtlicher Nebenansprüche, z. B. Ansprüche auf Zinsen, Kosten oder Schadensersatz) in Bezug auf

(1) sämtliche gegenwärtigen Konten, die wir bei Ihnen unterhalten (gleich ob Giro-, Spar-, Festgeld oder sonstige Konten) und sämtliche künftigen Geldkonten, die wir bei Ihnen unterhalten werden, (alle Konten zusammen, die "**Verpfändeten Konten**), jeweils einschließlich eventueller Unterkonten und einschließlich Guthaben und positiver Salden und alle Ansprüche auf Zinsen; dies betrifft insbesondere die folgenden Konten:

[BitteKontonummern und sonstige Beschreibung einfügen], und

(2) all cash investments or cash deposits with you and any future cash investment and future cash deposits, including call money deposits (*Tagesgeldeinlagen*), time deposits (*Termineinlagen*) (including but without limitation fixed deposits (*Festgeldeinlagen*) and termination monies (*Kündigungsgelder*)), saving deposits (*Spareinlagen*) and investments for cash market transactions (*Geldhandelsgeschäfte*) and claims for payment and repayment of any amounts arising under these investments or deposits including all claims for interest related thereto (the **"Cash Investments"**), whether or not the Cash Investments are booked in one of the Pledged Accounts (the **"Pledged Investment Claims"**);

(3) but in each case excluding any present and future claims with respect to accounts for increases of the share capital (*Kapitalerhöhungssonderkonten*), in particular (but not limited to) the following cash account(s):

[Please insert number and description of accounts].

according to a First-Ranking Account Pledge Agreement dated [*please insert date of First-Ranking Account Pledge Agreement*] in favour of PCOF 1, LLC [*please insert any successor of PCOF 1, LLC, if any*] ("**Pledgee**").

(2) unsere sämtlichen Einlagen in Geld oder Anlagen von Geld und sämtliche künftigen Einlagen in Geld und Anlagen von Geld einschließlich Tagesgeldeinlagen, Termineinlagen (einschließlich Festgeldeinlagen und Kündigungsgelder), Spareinlagen und Anlagen für Geldhandelsgeschäfte und Ansprüche auf Zahlung und Rückzahlung von Beträgen aus diesen Einlagen in Geld oder Anlagen von Geld einschließlich aller Ansprüche auf Zinsen (im weiteren "**Geldanlagen**") die wir bei Ihnen haben, ohne Rücksicht darauf, ob die Geldanlagen auf einem der Verpfändeten Konten verbucht werden oder nicht (die **"Verpfändeten Anlagen"**);

(3) aber in allen vorgenannten Fällen mit Ausnahme derjenigen gegenwärtigen und zukünftigen Ansprüche, die sich auf Kapitalerhöhungssonderkonten beziehen; dies betrifft insbesondere die folgenden Konten:

[Bitte Kontonummern und sonstige Beschreibung einfügen]

gemäß einem erstrangigen Kontenverpfändungsvertrag vom [*bitte Datum des erstrangigen Kontenverpfändungsvertrages einfügen*] an PCOF 1, LLC [*oder einen Nachfolger von PCOF 1, LLC einfügen*] (der "**Pfandnehmer**") verpfändet haben.

Please note that:

- the Pledgee has authorised us to dispose of the amounts standing to the credit of the Pledged Account(s) and the Pledged Investment Claims until and unless you receive a notification from the Pledgee to the contrary; and
- we hereby waive in favour of the Pledgee all rights of confidentiality (*Bankgeheimnis*) in relation to the Pledged Account(s) and the Pledged Investment Claims. Therefore, we hereby instruct and authorise you to give to the Pledgee any information requested by it concerning the Pledged Account(s) or the Pledged Investment Claims.

We hereby kindly ask you to confirm receipt of this Notification by countersigning it and returning it to [...] am Main, Germany with a copy to us.

Yours sincerely,

Wir möchten Sie darauf hinweisen, dass

- die Pfandnehmer uns ermächtigt hat, allein über die Verpfändeten Konten und die Verpfändeten Anlagen zu verfügen, solange Sie von uns oder der Pfandnehmer keine gegenteilige Nachricht erhalten und
- wir hiermit bezüglich der Pfandnehmer auf unsere Rechte auf Vertraulichkeit Ihnen gegenüber im Hinblick auf die Verpfändeten Konten und die Verpfändeten Anlagen, insbesondere auch hinsichtlich des Bankgeheimnisses verzichten und Sie anweisen und ermächtigen, der Pfandnehmer auf ihr Verlangen hin jede gewünschte Information im Hinblick auf die Verpfändeten Konten und die Verpfändeten Anlagen zu geben.

Wir bitten Sie, uns die Kenntnisnahme dieser Verpfändungsanzeige dadurch zu bestätigen, dass Sie diesen Brief gegenzeichnen und […] im Original und uns in Kopie übersenden.

Mit freundlichen Grüßen

[*Please insert name of the Pledgor/Bitte Namen des Verpfänders einfügen*]

We hereby confirm that we have received the above Notification.

Wir bestätigen hiermit, dass wir den Inhalt obiger Verpfändungsanzeige zur Kenntnis genommen haben.

Place, Date/Ort, Datum

[*Please insert name of the Account Bank/Bitte Namen der Kontoführenden Bank einfügen*]

Annex 4
Form of Waiver/Subordination Request and Waiver/Subordination Letter

[Please print on letterhead of the Pledgor/Bitte auf Briefkopf des Verpfänders ausdrucken]

To: *[please insert name and address of Account Bank]*

Date: *[please insert date of this waiver request]*

Waiver/Subordination of rights in respect of the Pledged Accounts /Pledged Investment Claims

Dear Sirs,

As notified to you by way of a separate notification [of this date /dated *[please insert date of notification]*], we have pledged to PCOF 1, LLC [*please insert any successor of PCOF 1, LLC, if any*] ("**Pledgee**") all our present and future claims which we have against you (including any ancillary rights, e.g. claims for interest, costs or damages) in respect of

(1) all present cash account(s) maintained with you and any sub-accounts thereof (the "**Pledged Account(s)**"), in particular, but not limited to, all claims for cash deposits and credit balances (*Guthaben und positive Salden jeder Art*) of the Pledged Account(s) and all claims for interest; this concerns in particular (but not limited to) the following cash account(s):

[Pleaseinsert number and description of accounts]; and

Verzicht auf die /Nachrang der Rechte bezüglich unserer Verpfändeten Konten/ Anlagen

Sehr geehrte Damen und Herren,

wie wir Ihnen in der Mitteilung vom [heutigen Tage/vom *[bitte Datum der Verpfändungsanzeige einfügen]*] angezeigt haben, haben wir unsere sämtlichen Ansprüche gegen Sie (einschließlich sämtlicher Nebenansprüche, z. B. Ansprüche auf Zinsen, Kosten oder Schadensersatz) in Bezug auf

(1) sämtliche gegenwärtigen Konten, die wir bei Ihnen unterhalten (gleich ob Giro-, Spar-, Festgeld oder sonstige Geldkonten) (alle Konten zusammen, die "**Verpfändeten Konten"**), jeweils einschließlich eventueller Unterkonten und einschließlich Guthaben und positiver Salden und alle Ansprüche auf Zinsen; dies betrifft insbesondere die folgenden Konten:

[BitteKontonummern und sonstige Beschreibung der Konten einfügen] und

I. all present cash investments or cash deposits with, including call money deposits (*Tagesgeldeinlagen*), time deposits (*Termineinlagen*) (including but without limitation fixed deposits (*Festgeldeinlagen*) and termination monies (*Kündigungsgelder*)), saving deposits (*Spareinlagen*) and investments for cash market transactions (*Geldhandelsgeschäfte*) and claims for payment and repayment of any amounts arising under these investments or deposits including all claims for interest related thereto (the "**Cash Investments**"), whether or not the Cash Investments are booked in one of the Pledged Accounts (the **"Pledged Investment Claims"**).

according to a first-ranking account pledge agreement dated *[please insert date of First-Ranking Account Pledge Agreement]* ("the **Account Pledge Agreement**").

Under the First-Ranking Account Pledge Agreement we are obliged to use our best endeavours to procure that, as soon as possible from the date of the First-Ranking Account Pledge Agreement, you waive or,

(2) unsere sämtlichen gegenwärtigen Einlagen in Geld oder Anlagen von Geld einschließlich Tagesgeldeinlagen, Termineinlagen (einschließlich Festgeldeinlagen und Kündigungsgelder) , Spareinlagen und Anlagen für Geldhandelsgeschäfte und Ansprüche auf Zahlung und Rückzahlung von Beträgen aus diesen Einlagen in Geld oder Anlagen von Geld einschließlich aller Ansprüche auf Zinsen (im Weiteren "**Geldanlagen**"), die wir bei Ihnen haben, ohne Rücksicht darauf, ob die Geldanlagen auf einem der Verpfändeten Konten verbucht werden oder nicht (die **"Verpfändeten Anlagen"**)

gemäß einem erstrangigen Kontenverpfändungsvertrag vom *[bitte Datum des erstrangigen Kontenverpfändungsvertrages einfügen]* an an PCOF 1, LLC [*oder einen Nachfolger von PCOF 1, LLC einfügen*] (der "**Pfandnehmer**") (der "**Kontenverpfändungsvertrag**") verpfändet.

Nach den Bestimmungen des erstrangigen Kontenverpfändungsvertrages sind wir verpflichtet, uns bestmöglich darum zu bemühen, schnellstmöglich ab dem Unterzeichnungsdatum des erstrangigen

as the case may be, agree on the subordination of any right of pledge, right to set-off or right to retention you may have in respect of the Pledged Accounts and the Pledged Investment Claims by countersigning and returning this letter to us and to the Pledgee. If the Bank and ourselves have not received a Waiver/Subordination Letter from you within this period, we may be obliged to close the Pledged Account(s) held with you and to transfer all amounts standing to the credit of the Pledged Account(s) to another account not held with you and to terminate the pledged Cash Investments which we have with you and invest the cash at another credit institution.

Kontenverpfändungsvertrages eine Erklärung zu erhalten, dass Sie auf alle Pfandrechte verzichten, beziehungsweise deren Nachrangigkeit erklären und auf alle Aufrechnungs- oder Zurückbehaltungsrechte verzichten, die Sie bezüglich unserer Verpfändeten Konten und Verpfändeten Anlagen haben. Diese Erklärung soll dadurch abgegeben werden, dass Sie diesen Brief gegenzeichnen und uns im Original sowie der Pfandnehmer in Kopie zurücksenden. Wenn die Pfandnehmer und wir diese Verzichtserklärung/Nachrangerklärung nicht innerhalb des genannten Zeitraumes erhalten, so könnten wir verpflichtet sein, die Verpfändeten Konten, die wir bei Ihnen haben, zu schließen und alle darauf befindlichen Guthaben auf ein Konto zu übertragen, dass nicht bei Ihnen geführt wird, sowie die Verpfändeten Anlagen, die wir bei Ihnen haben, zu kündigen, und das Geld bei einem anderen Kreditinstitut anzulegen.

We therefore ask you to give the respective waiver/agree to the subordination. For the avoidance of doubt, this shall not affect the operation of current accounts (*Kontokorrentkonten*).

Wir bitten Sie deshalb, einen entsprechenden Verzicht/einen entsprechende Nachrang zu erklären. Um Zweifeln vorzubeugen, weisen wir darauf hin, dass dieser Verzicht/dieser Nachrang die bankübliche Führung von Kontokorrentkonten nicht beeinflussen soll.

Please return this letter with the declaration of waiver/subordination signed to us with a copy to the Pledgee.

Bitte schicken Sie diesen Brief, der mit Ihrer Verzichtserklärung/Nachrangerklärung versehen ist, unterschrieben an uns und in Kopie an den Pfandnehmer.

Yours sincerely,

Mit freundlichen Grüßen

[Please insert name of Pledgor/Bitte Namen des Verpfänders einfügen]

We hereby confirm that we have received, and taken notice of, the above waiver/subordination request, and that we hereby [waive]/[subordinate] any right of pledge [,]/[and waive any] right to set-off or right to retention we may have in respect of the Pledged Account(s) and the Pledged Investment Claims.

This letter is governed by the laws of the Federal Republic of Germany.

Wir erklären hiermit, gemäß obiger Bitte den [Verzicht auf alle]/[Nachrang aller] Pfand-[rechte]/[,] [und den Verzicht aller] Aufrechnungs- oder Zurückbehaltungsrechte, die wir bezüglich der Verpfändeten Konten und der Verpfändeten Anlagen haben.

Dieser Verzicht unterliegt dem Recht der Bundesrepublik Deutschland.

Place, Date/Ort, Datum

[*Please insert name of the Account Bank/Bitte Namen der Kontoführenden Bank einfügen*]

SCHEDULE 17

Security Transfer Agreement

(Sicherungsübereignung)

between

Affimed Therapeutics AG

and

PCOF 1, LLC

MORRISON
FOERSTER

Table of Contents

This security transfer agreement (*Sicherungsübereignung*) ("**Agreement**") is dated July 24, 2014 and made by and among

1) **Affimed Therapeutics AG**, a stock corporation governed by German law (*Aktiengesellschaft*) having its corporate seat in Heidelberg, Germany and business address at Im Neuenheimer Feld 582, 69120 Heidelberg, registered with the local court (*Amtsgericht*) of Mannheim under number HRB 336536

- the "**Transferor**" -

and

2) **PCOF 1, LLC,** a limited liability company governed by the laws of Delaware, having its business address at 499 Park Avenue, 25th Floor, New York, New York 10022

- the "**Transferee**" -

- The Transferor and the Transferee collectively referred to as the "**Parties**", each a "**Party**" -

PREAMBLE

(A) On July 24, 2014, the Transferor and the Transferee entered into a facility agreement ("**Facility Agreement**") which provides for a loan of USD 14,000,000.00 ("**Credit Facility**").

(B) The Shareholders of the Transferor intend to contribute all their shares in the Transferor in an entity governed by Dutch law ("**Dutch Guarantor**"). After this contribution the Dutch Guarantor will join the Facility Agreement as guarantor.

(C) It is a condition to the Assignee making the Credit Facility available under the Facility Agreement that the Assignor enters into this Agreement.

Now and therefore the Parties agree as follows:

1. INTERPRETATIONS

1.1 Definitions

In this Agreement:

"**Event of Default**" means any Event of Default under the Facility Agreement, subject to the cure period provided for in Clause 21.14 (*Cure Period*) of the Facility Agreement.

"**New Premises**" means the premises marked on any site map delivered under and in accordance with Clause 6 (New Premises) of this Agreement.

"**Premises**" means the premises marked in red ink on the site maps attached hereto in Schedule 1.

"**Secured Obligations**" means all present and future rights and claims (*Ansprüche*) (whether actual or contingent and whether owned jointly or severally or in any other capacity whatsoever) of the Transferee against any Obligor (as defined in the Facility Agreement) under or in connection with the Facility Agreement and any other document entered into by any Obligor in relation thereto, each as extended (including by way of increase of existing tranches or by including new tranches), amended, varied, novated or supplemented from time to time.

"**Security Assets**" means all finished goods and products (*fertige Erzeugnisse und Waren*), work in progress (*unfertige Erzeugnisse*), raw material, supplies and operating materials (*Roh-, Hilfs- und Betriebsstoffe*), each with the exception of such assets considered Intellectual Property (as defined in the Facility Agreement) used in connection with

or which is necessary for AFM11 and AFM13 listed in Schedule 2, ("**Inventories**") which are kept or deposited at the Security Location and/or listed in Schedule 3 (the "**Present Security Assets**") and/or which will be kept or deposited at the Security Location in the future (the "**Future Security Assets**").

"**Security Interest**" means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect.

"**Security Location**" means the Premises and the New Premises.

"**Transfer of Title**" means the transfer of title to the Security Assets for security purposes (*Sicherungsübereignung*) and the assignment or transfer of any ancillary rights and claims pursuant to Clauses 2 (Transfer of Security Assets) and 3 (Substitution for Delivery) of this Agreement.

Unless otherwise defined herein or unless the context otherwise requires, terms defined or referred to in the Facility Agreement shall have the same meaning when used herein.

2. TRANSFER OF SECURITY ASSETS

2.1 The Transferor hereby transfers and assigns for security purposes (*Sicherungsübereignung*) all title to the Security Assets to the Transferee.

2.2 Title to the Present Security Assets shall pass over to the Transferee upon execution of this Agreement. Title to the Future Security Assets shall pass over to the Transferee when they are deposited at the Security Location.

2.3 To the extent that the Transferor holds at the time of the execution of this Agreement or will subsequently acquire full and unencumbered title to the Security Assets, the Transferor hereby transfers and assigns all title to the Security Assets to the Transferee. To the extent that the Transferor holds or will in future hold title in the form of co-ownership (*Miteigentum*) it herewith transfers such co-ownership to the Transferee. To the extent the Transferor holds at present or in future title in form of joint ownership (*Gesamthandseigentum*) it hereby assigns and transfers to the Transferee any present and future rights and claims which arise from such joint ownership, in particular any claims for compensation of expenses (*Aufwendungsersatzansprüche*), net profit (*Gewinn*) and payments of liabilities and distribution of assets among the partners (*Auseinandersetzungsguthaben*). Additionally, the Transferor hereby transfers and assigns all expectant rights (*Anwartschaftsrechte*) it holds or will hold in future in respect of the Security Assets to the Transferee.

2.4 Any co-ownership rights or expectant rights in respect of assets brought to the Security Location in future, will be automatically transferred to the Transferee at the time such assets are actually brought to the Security Location, in any event, however, no later than at the time the Transferor acquires such rights.

2.5 The Transferee accepts each of the transfers and assignments referred to in this Clause 2.

3. SUBSTITUTION FOR DELIVERY

3.1 Instead of delivering the Security Assets to the Transferee, the Transferor and the Transferee (as indirect possessor (*mittelbarer Besitzer*)) agree that the Transferor will carefully safeguard the Security Assets for the Transferee free of charge (*kostenlose Verwahrung*).

3.2 To the extent that any third person holds or obtains actual possession of the Security Assets, the Transferor hereby transfers and assigns to the Transferee any existing or future claims it may have for the surrender (*Herausgabeansprüche*) of the Security Assets against any such person. The Transferee accepts each such assignment.

4. PURPOSE OF THE TRANSFER OF TITLE

The Transfer of Title is constituted in order to secure the full and final satisfaction and discharge of any and all Secured Obligations. The Transferor hereby expressly agrees that the Transfer of Title shall also secure any future extension or increase of the Secured Obligations and the Secured Obligations as extended or increased from time to time, as well as in particular any claims for the payment of principal, interest, costs, fees and damages based on contract, unjust enrichment (*ungerechtfertigte Bereicherung*) or tort (*Delikt*).

5. IDENTIFICATION OF SECURITY ASSETS

5.1 The Transferor shall provide at its own expenses to the Transferee at quarterly intervals within 10 (ten) days after the end of each calendar quarter, promptly (*unverzüglic*h) upon the occurrence of an Event of Default and, in addition, at any time following an Event of Default which is continuing upon the reasonable request of the Transferee an up-to-date list of all the Transferor's Inventories, showing the book value of each of:

5.1.1 the raw material, supplies and operating materials (*Roh-, Hilfs- und Betriebsstoffe*);

5.1.2 work in progress (*unfertige Erzeugnisse*); and

5.1.3 finished goods and products (*fertige Erzeugnisse und Waren*);

each as at the last day of the relevant quarter (the "**Reporting Date**").

5.2 The lists referred to in Clause 5.1 (Identification of Security Assets) shall specify the nature of the Transferor's entitlement to the Security Assets and comprise a summary description of the type and amount of the Inventories, their cost price (*Einstandswert*) or, if applicable, their production price (*Herstellungskosten*), and their sale price (*Verkaufspreis*) as at the Reporting Date.

5.3 The Transferor shall have the right to deliver the relevant lists on a readable and compatible disk or other electronic data storage medium. The Transferor will contact the Transferee from time to time with a view to agreeing the necessary details of such delivery.

5.4 For the avoidance of doubt, a Security Asset shall be transferred pursuant to this Agreement whether or not listed in any of the lists referred to in Clause 5.1 (Identification of Security Assets) above.

5.5 If the Transferor employs a third person for its bookkeeping and/or data-processing (the Third Person), the Transferor hereby (i) undertakes to arrange with the Third Person for the delivery of and permits the Transferee to obtain the lists of Security Assets directly from the Third Person at the Transferor's expense and (ii) upon occurrence of an Event of Default and any time thereafter for as long as the Event of Default is continuing undertakes to instruct the Third Person to deliver the lists of Security Assets directly to the Transferee and irrevocably authorises (*bevollmächtigen*) the Transferee to request those lists directly from the Third Person.

6. NEW PREMISES

6.1 If the Transferor intends to store any of its Inventories on any premises other than the Premises (the New Premises) (excluding any Inventories listed in Annex 2), the Transferor must:

6.1.1 notify the Transferee of such intent;

6.1.2 deliver to the Transferee site maps of the New Premises which are correct and sufficiently identify the New Premises without need to recourse to any document other than such site maps and thereby determinately (*bestimmt*) identify the Inventories kept or deposited from time to time at the New Premises; and

6.1.3 deliver to the Transferee an express written representation by the Transferor that the site maps referred to in Clause 6.1.2 above are correct and sufficiently identify the New Premises without need to recourse to any document other than such site maps and that all Inventories of the Transferor kept or deposited from time to time at the New Premises are therefore determined (*bestimmt*), in each case in form and substance reasonably satisfactory to the Transferee.

The Transferee shall notify the Transferor promptly upon being so satisfied.

6.2 With effect from the Transferee's notification referred to under Clause 6.1 above:

6.2.1 the relevant site maps shall form an integral part of this Agreement;

6.2.2 the New Premises shall forthwith constitute a Security Location; and

6.2.3 all Inventories located on the New Premises from time to time shall become Security Assets title to which is transferred to the Transferee pursuant to Clause 2 (Transfer of Security Assets) and Clause 3 (Substitution for Delivery) of this Agreement.

7. LOCATION AND MAINTENANCE OF SECURITY ASSETS

7.1 The Transferor is obliged to keep the Security Assets in the Security Location. A removal of Security Assets from the Security Location other than in accordance with Clause 10 (Disposal, processing and handling of Security Assets) of this Agreement or otherwise in the ordinary course of trading, including, for the avoidance of doubt, a temporary removal for necessary repairs to be undertaken, is only allowed with the prior written consent of the Transferee.

7.2 The Transferor shall deal carefully with the Security Assets and shall give due regard to all necessary care and maintenance of the Security Assets at its own expense.

7.3 The Transferee has the right to label the Security Assets as its property if it seems reasonably appropriate to the Transferee following any Event of Default and for the time that such Event of Default is continuing. The Transferor shall keep accurate records of the Security Assets title to which is transferred or, as applicable, assigned to the Transferee.

8. RIGHT OF THE TRANSFEREE TO EXAMINE THE SECURITY ASSETS

8.1 Upon two (2) Business Days Prior notice to the Transferor, the Transferee or any representative of its choice of whom the Transferee will notify the Transferor in the advance notice is entitled to inspect the Security Assets, the Security Location and any documentation or records concerning the Security Assets during normal business hours. Upon the occurrence of an Event of Default which is continuing, no prior notice to the Transferor is required. The Transferor shall provide all reasonably necessary information and has to allow and grant access to documentation and the Security Location respectively.

8.2 If the Security Assets are in the possession of a third person (e.g. warehouse keeper), such third person shall be instructed by the Transferor to allow and grant access to the Security Assets by the Transferee.

9. RESERVATION OF TITLE

The Transferor shall extinguish any reservation of title (*Eigentumsvorbehalt*) arising in the ordinary course of business by settling the purchase price when due for the Security Assets affected by such reservation of title unless otherwise permitted in the Facility Agreement. Upon the occurrence of an Event of Default which is continuing, the Transferee is entitled but not obliged to make such payments on behalf of the Transferor, in which case title to such Security Assets shall pass from any holder of such reservation of title to the Transferee.

10. DISPOSAL, PROCESSING AND HANDLING OF SECURITY ASSETS

10.1 The Transferor may make use and dispose of any Security Asset in its ordinary course of trading in accordance with the relevant provisions of this Agreement and the Facility Agreement.

10.2 The Transferor is entitled to carry out any work on Security Assets and use them as material for any production in its own business operations or those of a third party. The Transferor or any third person working for or with the Transferor shall effect the processing (*Be- oder Verarbeitung*) free of charge for and on behalf of the Transferee (which shall be regarded as producer (*Hersteller*) within the meaning of section 950 of the German Civil Code (*Bürgerliches Gesetzbuch*) in such a way that the Transferee holds or acquires the ownership (*Eigentum*), co-ownership (*Miteigentum*) or the relevant expectant right (*Anwartschaftsrecht*) in the products of such processing during every stage of production at any time for the purposes of this Agreement.

10.3 If such ownership, co-ownership or expectant right should lapse (*erlöschen*) as a consequence of the processing, the relevant title in respect of new goods resulting from the processing passes automatically over from the Transferor to the Transferee for the purposes of this Agreement at the time when the Transferor obtains such title.

10.4 As far as any processing or any commingling (*Vermischung oder Vermengung*) of Security Assets is carried out with goods not belonging to the Security Assets, any co-ownership or expectant right in respect of new goods resulting from the processing which comes into existence as a result of such processing or commingling shall also automatically pass over to the Transferee for the purposes of this Agreement at the time when the Transferor obtains such rights.

10.5 To the extent that the Transferor holds or will hold claims entitling it to demand the transfer of ownership, co-ownership or any expectant right in each case with respect to Security Assets, the Transferor hereby assigns such claims to the Transferee for the purposes of this Agreement. The Transferee hereby accepts such assignment.

10.6 If ownership, co-ownership or expectant rights pass over from the Transferor to the Transferee, the Transferor shall safeguard the relevant products free of charge in accordance with Clause 3.1 (Substitution for Delivery), instead of delivering such products to the Transferee.

10.7 As far as any third person is or will be in possession of final products, the Transferor hereby assigns existing and future claims for recovery of those final products to the Transferee. The Transferee hereby accepts such assignment.

10.8 For the avoidance of doubt, this Clause 10 does not apply to assets considered Intellectual Property (as defined in the Facility Agreement) used in connection with or which is necessary for AFM11 and AFM13.

11. TAKING POSSESSION BY THE TRANSFEREE

11.1 The Transferee is entitled to revoke the right of disposal and the right of processing of the Security Assets (Clause 10 (Disposal, processing and handling of Security Assets)) and to take direct possession (unmittelbarer Besitz) of the Security Assets after the occurrence of an Event of Default and for as long as it is continuing or if the Transferee reasonably considers such assets, rights or property to be in danger of being seized or sold under any

form of distress, attachment, execution or other legal process. However, if and when all Events of Default have been waived or remedied and all such dangers of seizure or sale have, in the reasonable opinion of the Transferee, been resolved, the Transferee shall retransfer possession of the Security Assets to the Transferor and reinstate the Transferor's entitlement under Clause 10, save to the extent that the Security Assets have been sold and any proceeds resulting from such sale have been applied in payment of any of the Secured Obligations.

11.2 The right of disposal and the right of processing of the Security Assets (Clause 10 (Disposal, processing and handling of Security Assets) of this Agreement) of the Transferor shall automatically lapse upon the occurrence of an Event of Default.

12. ENFORCEMENT AND REALISATION

12.1 The Transferee's rights

12.1.1 The Transferee shall be entitled to realise the Security Assets (together with any and all other rights and claims transferred or assigned to the Transferee pursuant to this Agreement) at any time after the occurrence of an Event of Default and as long as such an Event of Default in continuing if, in addition, the Transferor has failed to meet all or part of its payment obligations in respect of any of the Secured Obligations.

12.1.2 The Transferee shall notify the Transferor of its intention to realise the Security Assets by giving 1 (one) week's prior written notice to the Transferor. Such notice period is not necessary if (i) the Transferor has generally ceased to make payments or (ii) an application for the commencement of insolvency proceedings over the assets of the Transferor is filed by any third person or by the Transferor unless the application is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

12.1.3 Upon becoming entitled to enforce, pursuant to this Clause 12.1, the Security Interests constituted pursuant to this Agreement, the Transferee may sell, or arrange for the sale of, the Security Assets (together with any and all other rights and claims transferred or assigned to the Transferee pursuant to this Agreement) by way of private sale or private auction in its own name but as trustee for the account of the Transferor pursuant to Clause 12.2.1 (Application of proceeds) below or in any other way determined by the Transferee in its reasonable discretion. Upon becoming entitled to enforce, pursuant to this Clause 12.1, the Transferee is also entitled to demand from the Transferor that the Transferor realises the Security Assets in the best way possible or assists with the realisation, in which case the Transferor is obliged to immediately transfer all proceeds resulting from such realisation to the Transferee.

12.1.4 The Transferee may determine which part of the Security, if applicable, shall be used to satisfy the Secured Obligations.

12.2 Application of proceeds

12.2.1 The proceeds resulting from the enforcement of the Security Interests constituted pursuant to this Agreement shall be applied by the Transferee towards payment of the Secured Obligations in accordance with the relevant provisions of the Facility Agreement. If the proceeds of the realisation are subject to turnover tax, the Transferee will issue a credit note to the effect that such credit note is to be seen as an invoice for the delivery of goods. Such credit note shall meet the requirements of German turnover tax law.

12.2.2 After the full and final satisfaction and discharge of all Secured Obligations any remaining proceeds resulting from the enforcement of the Security Interests constituted pursuant to this Agreement shall be transferred to the Transferor at the cost and expense of the Transferor.

13. NO RECOURSE

The Parties hereby agree that no rights and claims shall pass to or otherwise arise for the benefit of the Transferor by subrogation (*gesetzlicher Übergang von Forderungen und Rechten*) or otherwise, including any recourse claims, indemnification claims, claims arising from unjust enrichment (*ungerechtfertigte Bereicherung*) and any right to demand the assignment and/or transfer of any Secured Obligation and/or Security Interest, against any Obligor which it may (but for this Clause 13) acquire as a result of:

a) a payment or repayment by the Transferor of any debt of any Obligor under the Facility Agreement; or

b) an enforcement of the Security Interests constituted pursuant to this Agreement,

The Transferor furthermore undertakes not to exercise (pactum de non petendo), and not to purport to exercise, any such rights and claims which may pass to it or otherwise arise for its benefit notwithstanding this Clause 13 or would pass to it or otherwise arise for its benefit but for this Clause 13.

14. REPRESENTATIONS AND WARRANTIES

The Transferor represents and warrants (s*elbständiges Garantieversprechen im Sinne von § 311 BGB*) to the Transferee that on the date of this Agreement:

14.1 it is validly existing and is neither:

14.1.1 unable to pay its debts when they fall due (*zahlungsunfähig*) within the meaning of section 17 of the German Insolvency Code (*Insolvenzordnung*); nor

14.1.2 subject to any insolvency proceedings (*Insolvenzverfahren*) (or other or similar proceedings under the laws of any other applicable jurisdiction) or any refusal of opening insolvency proceedings for insufficiency of assets (*Abweisung mangels Masse*) (within the meaning of section 26 of the German Insolvency Code (*Insolvenzordnung*)), and that it has not filed an application for the opening of insolvency procedures (*Antrag auf Eröffnung eines Insolvenzverfahrens*);

14.2 the site maps attached hereto as Schedule 1 are correct and sufficiently identify each Security Location without need to recourse to any document other than this Agreement and all Security Assets are therefore determined (*bestimmt*) through such site maps;

14.3 all its present Inventories are located within the Security Location, except the present Inventories listed in Annex 2;

14.4 it holds either title in the form of full ownership (*Eigentum*), co-ownership (*Miteigentum*), joint ownership (*Gesamthandseigentum*) or expectant right (*Anwartschaftsrecht*) in relation to the Present Security Assets;

14.5 other than liens arising by operation of mandatory German law or other than permitted under the Facility Agreement and subject to the Release, the Security Assets are not encumbered for the benefit of any third person; and

14.6 no litigation, arbitration or administrative proceedings are presently in progress, pending or threatened which restrain, or threaten to restrain, the Transferor in respect of the entry into, the performance of or compliance with any of its obligations pursuant to this Agreement.

15. UNDERTAKINGS

The Transferor undertakes:

15.1 to execute (or ensure execution of) at its own expense each and any other document, make each and any other or additional declaration and take each and any other action, in each case that is reasonably necessary or useful for:

15.1.1 the creation, perfection and/or protection of the Security Interests expressed to be constituted, pursuant to this Agreement; and

15.1.2 the enforcement of the Security Interests expressed to be constituted, pursuant to this Agreement and in particular, if such Security Interests have become enforceable, for facilitating the realisation of all or any part of the Security Assets and the exercise of all powers, authorities and discretions vested in the Transferee or in any receiver with respect to all or any part of those Security Assets;

15.2 to ensure that at all times until the full and final satisfaction and discharge of the Secured Obligations all its Inventories are only kept or deposited at the Security Location unless otherwise permitted in this Agreement and except for any Inventories listed in Annex 2;

15.3 to promptly (*unverzüglich*) pay any amounts due under each and any relevant lease agreement in the case that any Security Asset is located at leased premises unless such amounts due are contested by the Transferor in good faith;

15.4 to provide the Transferee promptly (*unverzüglich*) with all information and documents which are reasonably deemed necessary by the Transferee in relation to the Security Assets in addition to the information provided pursuant to Clause 5 (Identification of Security Assets);

15.5 to inform the Transferee promptly (*unverzüglich*) of any subsequent changes in the value of any of the Security Assets, provided that such change in the value of the Security Assets exceeds an aggregate of EUR 250,000.00;

15.6 to inform the Transferee promptly (*unverzüglich*) of any attachments (*Pfändung*) regarding any and all of the Security Assets or any other measures which may impair or jeopardise the Transferee's rights relating to the Security Assets. In the event of an attachment, the Transferor undertakes to forward to the Transferee promptly (*unverzüglich*) a copy of the attachment order (*Pfändungsbeschluss*), any third party debt order (*Überweisungsbeschluss*) and all other documents reasonably necessary for a defence against the attachment. The Transferor shall inform the attaching creditor promptly (*unverzüglich*) about the Transferee's Security Interests pursuant to this Agreement;

15.7 to refrain from any intentional acts or omissions which might damage or result in a loss of the Security Assets;

15.8 save to the extent permitted under the Facility Agreement and this Agreement, not to lease, lend, discount, factor, or otherwise dispose of and/or create or permit to subsist any encumbrance over the Security Assets; and

15.9 to refrain from any acts or omissions which may reasonably be expected to have an indirect or direct adverse effect on the validity or enforceability of this Agreement or the Security Interests constituted hereunder (or any of them) or the value of rights and claims secured hereunder.

16. INSURANCE OF THE SECURITY ASSETS

16.1 The Transferor undertakes at its own expense to keep the Security Assets insured in accordance with Clause 20.17 (*Insurance*) of the Facility Agreement.

16.2 To the extent the Transferor is not, or not sufficiently, insured, the Transferee has the right (but is not obliged) to insure the Security Assets in order to attain the insurance level provided for in Clause 20.17 (*Insurance*) of the Facility Agreement.

16.3 The Transferor hereby assigns to the Transferee all current and future claims against each relevant insurer arising from any insurance cover in respect of the Security Assets for security purposes. The Transferee hereby accepts such assignment. The Transferor shall notify the relevant insurer(s) of the Transferee's title in relation to the relevant Security Assets, of the ownership of the Transferee in relation to all claims arising from the insurance agreement as far as the same refers to the Security Assets, of the fact that the Transferee shall succeed in the benefits but not in the obligations of such insurance agreement and that the Transferor is not entitled to terminate or amend the insurance without consent of the Transferee. The Transferor shall use its best efforts in order to procure that the relevant insurance company(ies) provide(s) the Transferee with a corresponding insurance certificate (*Sicherungsschein oder Sicherungsbestätigung*).

16.4 So long as no Event of Default has occurred and is continuing, the Transferor shall be entitled to collect all claims arising from the insurance agreements and to exercise all ancillary rights and claims assigned to the Assignee pursuant to this Clause 16, provided that all claims collected shall be paid into bank accounts subject to the account pledge agreement entered into by the Parties with respect to the Facility Agreement.

17. RIGHTS OF A THIRD PERSON

If and to the extent that there exists, in relation to the Security Assets, a pledge by law (*gesetzliches Pfandrecht*) in favour of any third person, the Transferor shall provide that all sums properly due to such third person will be duly and punctually paid (unless such sums due are contested by the Transferor in good faith) and shall upon request of the Transferee provide evidence of such payment. Upon the occurrence of an Event of Default which is continuing, theTransferee shall be entitled to make such payments if and to the extent that the Transferor does not promptly (*unverzüglich*) provide such evidence.

18. RELEASE AND RETRANSFER

18.1 Retransfer

After the full and final satisfaction and discharge of all Secured Obligations, the Transferee shall at the Transferor's cost and expense retransfer to the Transferor the Security Assets (together with any and all other rights and claims transferred or assigned to the Transferee pursuant to this Agreement). The Transferee will, however, transfer any Security Assets (together with any other right and claim transferred or assigned pursuant to this Agreement pertaining to them) to a third person to the extent that it is obliged to do so.

18.2 Release

Even prior to the full and final satisfaction and discharge of all Secured Obligations, the Transferee is obliged to release, upon the Transferor's request, and at the Transferor's cost and expense, all or part of the Security Interest insofar as the realisable value of the Security Interest exceeds, not only temporarily, the Secured Obligations by more than 10 per cent. (provided that if in an enforcement of the Security Interest constituted pursuant to this Agreement the Transferee is or becomes liable for any turnover taxes (*Umsatzsteuer*), such percentage rate shall be increased by the rate of such turnover taxes). The Transferee may, at its discretion, determine which part of the Security Interest shall be released.

18.3 Evaluation

For the purpose of calculating the realisable value of the Security Assets the following calculation shall apply

18.3.1 The value of each Security Asset shall be:

(a) where a market price exists for the relevant Security Asset, the current market price (*aktueller Marktpreis*) for the relevant Security Assets as at the time the Transferee makes a decision on the release of Security Interest requested by the Transferor in accordance with Clause 18.2 (Release) of this Agreement; or

(b) where no such market price exists, the value of the relevant Security Assets shall be the price for which the Transferor has purchased such Security Asset (*Einkaufspreis*) or its cost price for which the Transferor has produced, processed or manufactured the Security Asset (*Herstellungspreis*).

18.3.2 The total value of the Security Assets determined in accordance with Clause 18.3.1(a) above shall be reduced by the value of such Security Assets which are encumbered with a prior ranking Security Interest (e.g. any retention of title, transfer for security purposes or pledge), but only in an amount which is equal to the claims which are secured by such security right.

18.3.3 The total value of the Security Assets determined in accordance with Clauses 18.3.1(a) and 18.3.1(b) above shall be (further) reduced with a view to taking into account potential losses of realisation proceeds (*Mindererlöse*) (e.g. in case of a forced sale or obsolete Security Assets). The amount of such reduction will be determined at the time of the Transferor's request for release in accordance with Clause 18.2 (Release) of this Agreement.

19. INDEMNITY

19.1 Liability for Damages

The Transferee shall not be liable for any loss or damage suffered by the Transferor save in respect of such loss or damage which is suffered as a result of the gross negligence (*grobe Fahrlässigkeit*) or wilful misconduct (*Vorsatz*) of the Transferee.

19.2 Indemnification

The Transferor shall indemnify the Transferee and keep the Transferee indemnified against any and all losses, actions, claims, out of pocket expenses, demands and liabilities which may be incurred by or made against the Transferee for anything done or omitted in the exercise or purported exercise of the powers contained in this Agreement other than to the extent that such losses, actions, claims, expenses, demands and liabilities are incurred or made against the Transferee as a result of the gross negligence (*grobe Fahrlässigkeit*) or wilful misconduct (*Vorsatz*) of the Transferee.

Any reference in this Clause to the Transferee includes any attorney, manager, agent or other person appointed by the Transferee in accordance with the provisions of this Agreement and the Facility Agreement.

20. DURATION AND INDEPENDENCE

20.1 Duration

This Agreement shall remain in full force and effect until the full and final satisfaction and discharge of the Secured Obligations. This Agreement shall not cease to exist if any payments made in satisfaction of the Secured Obligations have only temporarily discharged the Secured Obligations.

20.2 Continuing Security

This Agreement shall create a continuing security and no change or amendment whatsoever in the Facility Agreement or in any document or agreement related to it shall affect the validity or limit the scope of this Agreement or the obligations which are imposed on the Transferor pursuant to it.

The Transferor hereby agrees that the Security Interest constituted under or pursuant to this Agreement shall not be affected by any assumption of liability (*Schuldübernahme*) in relation to any of the Secured Obligations and hereby expressly consents (*willigt ein*) to any such assumption of liability within the meaning of section 418 para. 1 sentence 3 of the German Civil Code (Bürgerliches Gesetzbuch) (including when applied by analogy).

20.3 Independence

This Agreement and the Security Interests constituted hereunder are independent from all other Security Interests or guarantees which may have been or will be given to the Transferee and/or any of the other Finance Parties with respect to any obligation of the Transferor. None of such other Security Interests or guarantees shall in any way prejudice, or be prejudiced by, this Agreement or the Security Interests constituted pursuant to this Agreement.

21. COSTS AND EXPENSES

The Transferor shall promptly (*unverzüglich*) on demand pay (or procure payment) to the Transferee the amount of any and all out of pocket costs, charges, fees and expenses (including fees for legal advisers) reasonably incurred by the Transferee in connection with the preparation, execution, performance, amendment or enforcement of, or the monitoring of the Transferor's compliance with its obligations under, this Agreement, or any waiver in relation thereto, together in each case with any applicable value added tax (subject to a proper invoice in accordance with applicable legal provisions enabling Transferor to deduct such value added tax as input tax (*Vorsteuerabzug*)) or other taxes. The aforementioned restriction regarding reasonability shall not apply with respect to any and all costs and expenses incurred in connection with the enforcement of the Security Assets. All amounts due under this Clause 21 shall be subject to Clause 15.4 (*Expense Deposit*) of the Facility Agreement.

22. PARTIAL INVALIDITY; WAIVER

22.1 Invalidity

If any provision of this Agreement or part thereof should be or become invalid or unenforceable, this shall not affect the validity of the remaining provisions hereof. The invalid or unenforceable provision shall be replaced by that provision which best meets the intent of the replaced provision. This shall apply analogously with respect to anything which is accidentally not regulated in this Agreement (*Vertragslücke*).

22.2 Waiver

No failure to exercise, nor any delay in exercising, on the part of the Transferee, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies provided hereunder are cumulative and not exclusive of any rights or remedies provided by law.

23. AMENDMENTS

Changes to and amendments of this Agreement, including this Clause 23, must be made in writing.

24. SUCCESSORS, ASSIGNMENTS AND TRANSFERS

24.1 This Agreement shall be binding upon the Parties hereto and, to the extent legally possible, their respective successor(s) in law.

24.2 The parties hereto hereby agree that any person who is an assignee and transferee of the Transferee pursuant to the Facility Agreement shall, upon such assignment and transfer being effected, become an assignee for the purpose of this Agreement, regardless of whether such transfer is made by way of an assignment (*Einzel- und/oder Gesamtrechtsnachfolge* including *Vertragsübernahme*) or novation or otherwise. The Transferor hereby expressly consents (*willigt ein*) to any such transfer. The Transferee is herewith irrevocably authorized by the Transferor (and for this purpose exempt from the restrictions of Section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) to issue all declarations and to make all statements on behalf of the Transferor which the Transferee shall deem reasonably necessary or useful in order to such assignee and transferee becoming an assignee under this Agreement. For the avoidance of doubt, the Transferee is entitled to transfer the Security Assets to any of the above assignee and transferee.

24.3 The Transferor is entitled to any such transfer with the prior written consent of the Transferee only.

25. NOTICES

25.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or overnight courier to the following addresses:

25.1.1 If to the Transferor

AFFIMED THERAPEUTICS AG
Technologiepark, Im Neuenheimer Feld 582
69120 Heidelberg, Germany
Attn: Dr. Florian Fischer
Fax: +49 6221 65307 77
Email: f.fischer@affimed.com

with a copy to

CMS Hasche Sigle
Partnerschaft von Rechtsanwälten und Steuerberatern mbB
Nymphenburger Straße 12
80335 Munich, Germany
Attn: Stefan-Ulrich Müller
Fax: +49 89 23807 40667
Email: Stefan-Ulrich.Mueller@cms-hs.com

25.1.2 If to the Transferee

Perceptive Advisors LLC
499 Park Avenue, 25th Floor
New York, New York 10022
United States of America
Attn: Sandeep Dixit
Email: Sandeep@perceptivelife.com

with a copy to:

Morrison & Foerster LLP
Potsdamer Platz 1
10785 Berlin, Germany
Attn: Jörg Meißner
Fax: +49 30 726 221 130
Email: jmeissner@mofo.com

25.2 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective when received (*zugegangen*), in particular:

25.2.1 if by way of fax, when received in legible form; or

25.2.2 if by way of overnight courier, when it has been left at the relevant address.

25.3 Notification of address and fax number

Promptly upon changing its address or fax number, each party shall notify the other Parties.

25.4 English language

25.4.1 Any notice given under or in connection with this Agreement must be in English.

25.4.2 All other documents provided under or in connection with this Agreement must be:

(a) in English; or

(b) if not in English, and if so required by the Transferee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

26. APPLICABLE LAW; JURISDICTION

26.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Federal Republic of Germany, without regard to principles of conflicts of laws.

26.2 Jurisdiction

The place of jurisdiction for all Parties shall be Frankfurt am Main, Federal Republic of Germany.

This Agreement has been entered into at the date stated at the beginning of this Agreement.

Affimed Therapeutics AG

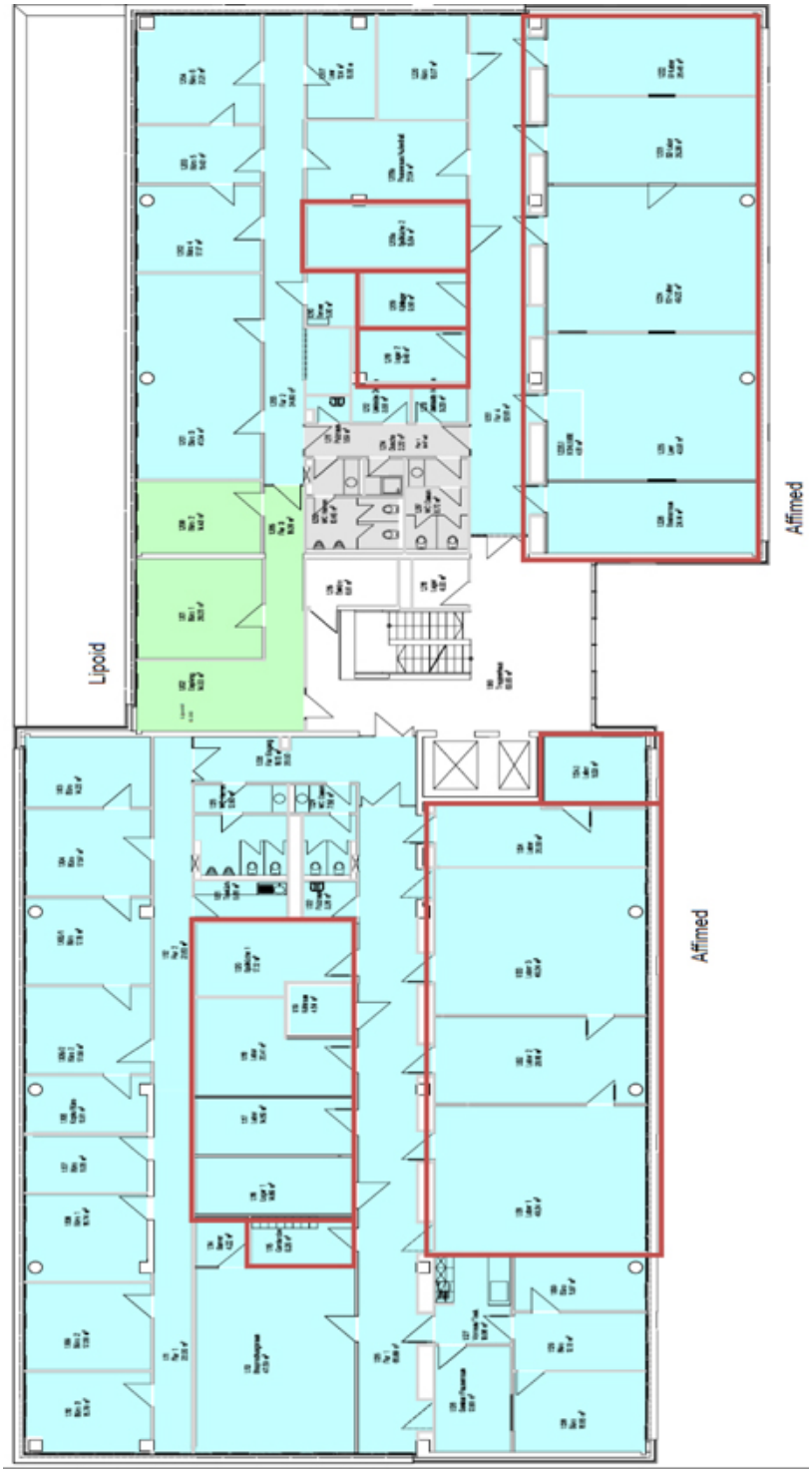
PCOF 1, LLC

PCOF 1, LLC

Schedule 1
Security Location

Security Location no	Security Location Address
1	Affimed Therapeutics AG Technologiepark Im Neuenheimer Feld 582 69120 Heidelberg Germany

(Please see attached site maps - site maps to be additionally signed or initialled on behalf of Transferor)


Lipoid
Affimed
Affimed

Schedule 2
Excluded assets considered Intellectual Property (as defined in the Facility Agreement)
used in connection with or which is necessary for AFM11 and AFM13

- AFM11 Production Master Cell Bank based on the expression in the BI Hex System
- AFM11 production process intermediate 2mg/ml filled in bags , storage temperature -70°C
- AFM11 Bulk Drug Substance 0,1 mg/ml, storage temperature -40°C
- AFM11 Drug Product filled in 2R Vials 0.1 mg/ml, storage temperature 2°C-8°C
- AFM11 Reference standard material
- AFM11 stability samples for the assessment of the shelf life of the study medication, accelerated storage of Drug Substance, Drug Substance storage conditions and Drug product samples stored compliant to the ICH guidelines stability assessment
- AFM13 Production master cell bank
- AFM13 Production process intermediates
- AFM13 Bulk Drug Substance, 1,25 mg/ml, storage temperature -70°C
- AFM13 Drug Product filled in 20R Vials, storage temperature 2°C-8°C, for the later phases of the clinical development other Drug Product fill concepts will apply.
- AFM13 Reference standard material
- AFM13 stability samples for the assessment of the shelf life of the study medication, accelerated storage of Drug Substance, Drug Substance storage conditions and Drug product samples stored compliant to the ICH guidelines stability assessment

Schedule 3
Inventory outside the Premises

Affimed has no Inventory outside the Premises.

SCHEDULE 18

Global Assignment Agreement

(*Sicherungsabtretungsvertrag*)

between

Affimed Therapeutics AG

and

PCOF 1, LLC

MORRISON
FOERSTER

Table of Contents

This global assignment agreement (*Sicherungsabtretungsvertrag*) is dated July 24, 2014 and made by and among

1) **Affimed Therapeutics AG**, a stock corporation governed by German law (*Aktiengesellschaft*) having its corporate seat in Heidelberg, Germany and business address at Im Neuenheimer Feld 582, 69120 Heidelberg, registered with the local court (*Amtsgericht*) of Mannheim under number HRB 336536

- the "**Assignor**" -

and

2) **PCOF 1, LLC**, a limited liability company governed by the laws of Delaware, having its business address at 499 Park Avenue, 25th Floor, New York, New York 10022

- the "**Assignee**" -

- The Assignor and the Assignee collectively referred to as the "**Parties**", each a "**Party**" -

PREAMBLE

(A) On July 24, 2014, the Assignor and the Assignee entered into a facility agreement ("**Facility Agreement**") which provides for a loan of USD 14,000,000.00 ("**Credit Facility**").

(B) The Shareholders of the Assignor intend to contribute all their shares in the Assignor in an entity governed by Dutch law ("**Dutch Guarantor**"). After this contribution the Dutch Guarantor will join the Facility Agreement as guarantor.

(C) It is a condition to the Assignee making the Credit Facility available under the Facility Agreement that the Assignor enters into this Agreement.

Now and therefore the Parties agree as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

"**Assignment**" means each and any assignment of a Claim and of any other right and claim to the Assignee for security purposes (*Sicherungsabtretung*) constituted pursuant to this Agreement.

"**Claims**" means all present and future German law governed monetary receivables and claims which the Assignor holds or will hold (*Forderungsinhaber*):

a) against all clients, central clearing agencies (*Zentralregulierer*), purchasers and suppliers (or any of them) from goods and services (*Forderungen aus Warenlieferungen und Leistungen*) (the "**Trade Receivables**");

b) against any other member of the Group, including any such receivables and claims arising under or in connection with any loan granted by the Assignor to any other member of the Group (the "**Intercompany Receivables**"),

in each case including:

a) all ancillary rights (*Neben-, Hilfs- und Gestaltungsrechte*) pertaining thereto and/or to the respective underlying contractual relationship (other than ancillary rights pertaining to any Intercompany Receivable or its underlying contractual relationship);

b) damage claims (*Schadensersatzansprüche*), claims against insurances related to the Trade Receivables or Intercompany Receivables and claims resulting from unjust enrichment (*ungerechtfertigte Bereicherung*); and

c) where the Assignor maintains a genuine or non-genuine current account arrangement (*echtes oder unechtes Kontokorrentverhältnis*) with regard to any of such receivables or claims, all claims which arise from any existing or future current account balances, the right to determine the net balance and the right to terminate the current account relationship.

To the extent that such Claims are in existence or outstanding at the time this Agreement comes into force, such Claims are referred to as the "**Existing Claims**", and if such Claims will only come into existence in the future they are referred to as the "**Future Claims**".

"**Debtor**" means each debtor in respect of a Claim and "**Debtors**" means all such debtors.

"**Event of Default**" means any Event of Default under the Facility Agreement, subject to the cure period provided for in Clause 21.14 (Cure Period) of the Facility Agreement.

"**Group**" means the Assignor and its Subsidiaries for the time being and, following the contribution of shares in the Assignor to the Dutch Guarantor, the Dutch Guarantor and its Subsidiaries.

"**Intercompany Debtors**" means any other member of the Group against which the Assignor holds any Intercompany Receivables.

"**Security Interest**" means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect.

"**Secured Obligations**" means all present and future rights and claims (*Ansprüche*) (whether actual or contingent and whether owned jointly or severally or in any other capacity whatsoever) of the Assignee against any Obligor (as defined in the Facility Agreement) under or in connection with the Facility Agreement and any other document entered into by any Obligor in relation thereto, each as extended (including by way of increase of existing tranches or by including new tranches), amended, varied, novated or supplemented from time to time.

"**Subsidiary**" means a subsidiary within the meaning of sections 15 - 17 Stock Corporation Act (*Aktiengesetz*).

"**Trade Debtors**" means the debtors of the Trade Receivables.

Unless otherwise defined herein or unless the context otherwise requires, terms defined or referred to in the Facility Agreement shall have the same meaning when used herein.

2. ASSIGNMENT

2.1 The Assignor hereby assigns for security purposes (*Sicherungsabtretung*) all of the Claims to the Assignee (the "**Assignment**").

2.2 The Existing Claims shall pass over to the Assignee upon execution of this Agreement and any Future Claims shall pass over to the Assignee on the date such Future Claims arise.

2.3 The Assignor hereby assigns and transfers all rights and claims in respect of any kind of cheques (*Schecks*), bills of exchange (*Wechsel*), notes or commercial papers the Assignor receives for the settlement of any assigned Claim to the Assignee.

2.4 The Claims are assigned to the Assignee together with all Security Interests securing the Claims (or any of them). To the extent that any such Security Interest is not assigned or transferred to the Assignee as a matter of law, the Assignor hereby assigns or, as applicable, transfers each such Security Interest to the Assignee.

2.5 The Assignee hereby accepts each of the assignments and transfers referred to in this Clause 2.

3. PURPOSE OF THE ASSIGNMENT

The Assignment is constituted in order to secure the full and final satisfaction and discharge of any and all Secured Obligations. The Assignor hereby expressly agrees that the Assignment shall also secure any future extension or increase of the Secured Obligations and the Secured Obligations as extended or increased from time to time, as well as in particular any claims for the payment of principal, interest, costs, fees and damages based on contract, unjust enrichment (*ungerechtfertigte Bereicherung*) or tort (*Delikt*).

4. LIST OF CLAIMS

4.1 The Assignor shall provide to the Assignee at quarterly intervals within 10 (ten) days after the end of each calendar quarter, promptly (*unverzüglich*) upon the occurrence of an Event of Default and, in addition, at any time following an Event of Default which is

continuing upon the reasonable request of the Assignee, an up-to-date list of all outstanding Trade Receivables and Intercompany Receivables or upon or following an Event of Default of all outstanding Claims, as the case may be, (each such list as applicable from time to time a "**List of Claims**"). Each List of Claims shall be accompanied by a written statement expressly making the representations set out under Clause 11 (Representations) of this Agreement as at the date of the delivery, and with respect to, each such List of Claims (the "**Repeating Representation Undertaking**"). Notwithstanding any undertaking hereunder, the Assignor shall set out any deviation from the representations to be made pursuant to the Repeating Representation Undertaking in the written statement.

4.2 Unless otherwise agreed between the Parties in writing, each List of Claims shall:

4.2.1 include the names and addresses of the Trade Debtors and the Intercompany Debtors as well as the outstanding amounts per individual Trade Debtor or Intercompany Debtors including the invoice date and number and the due dates for payment; in the event of an insurance for the Claims also the names and addresses of the insurance company, the contact person, the subject of the insurance, the respective contact numbers and policy numbers and the applicable law for the insurance claim.

4.2.2 specify which Claims listed in the List of Claims are subject to:

(a) an assignment pursuant to an extended retention of title (*verlängerter Eigentumsvorbehalt*), and the name of the relevant seller retaining title (*Eigentumsvorbehaltsverkäufer*);

(b) any prohibition on assignment (*Abtretungsverbot*) or any limitation of assignability (and specify the nature of such prohibition or limitation); and

4.2.3 specify if, in relation to which Claims and in which aggregate amounts counterclaims are held, or have been asserted by, any Debtors as well as the legal basis (*Rechtsgrund*) of each such counterclaim.

4.3 Notwithstanding Clause 4.2.1 upon the occurrence of an Event of Default and at any time following an Event of Default which is continuing, Clause 4.2 above shall apply mutatis mutandis in respect of all Claims and all Debtors in particular each List of Claims shall include the names and addresses of all Debtors as well as the outstanding amounts including the invoice date and number and the due dates for payment.

4.4 The Assignor shall have the right to deliver the Lists of Claims (or any of them) on a readable and compatible disk or other electronic data storage medium. The Assignee will contact the Assignor from time to time with a view to agreeing the necessary details of the delivery.

4.5 For the avoidance of doubt, the Assignee shall also be entitled to any and all Claims if for any reason whatsoever any Claims are not or incompletely contained in any List of Claims.

4.6 If the Assignor employs a third person for its bookkeeping and/or data-processing (the "**Third Person**"), the Assignor hereby (i) undertakes to arrange with the Third Person for the delivery of and permits the Assignee to obtain the Lists of Claims (or any of them) directly from the Third Person at the Assignor's expense and (ii) upon occurrence of an Event of Default and any time thereafter for as long as the Event of Default is continuing undertakes to instruct the Third Person to deliver the List of Claims directly to the Assignee and irrevocably authorises (*bevollmächtigen*) the Assignee to request the List of Claims (or any of them) directly from the Third Person.

4.7 The obligations of the Assignor to provide information in relation to the Claims pursuant to the terms of this Agreement shall not apply if and to the extent that providing information in relation to the Claims would violate the Federal Data Protection Act (*Bundesdatenschutzgesetz*) in any way.

5. DISCLOSURE

5.1 Disclosure of Assignment of Trade Receivables

5.1.1 The Assignor shall deliver to the Assignee within 5 (five) Business Days upon the execution of this Agreement 10 (ten), and at any time upon the reasonable request of the Assignee, notification letters executed in blank in the form of Schedule 1 Part I hereto (including the request for and the form of acknowledgement set forth therein) for the purpose of notification of the Debtor(s) of the Assignment of the respective Trade Receivable(s), by the Assignee in accordance with Clause 5.1.2 below. The Assignor hereby authorises the Assignee to copy such notification letters executed in blank.

5.1.2 The Assignee is entitled, and is hereby authorised accordingly by the Assignor, to notify (in its own name and on behalf of the Assignor) each relevant Debtor of the Assignment of the respective Trade Receivable(s), at any time after the occurrence of an Event of Default and for as long as the Event of Default is continuing.

5.1.3 For the purpose of disclosing the Assignments (or any of them) in accordance with Clause 5.1.2 above, the Assignee may, at its discretion, at any time after the occurrence of an Event of Default and for as long as the Event of Default is continuing:

(a) complete the notification letters executed in blank and delivered to it pursuant to Clause 5.1.1 above and send such letters to the Debtors (or any of them) of the respective Trade Receivable(s);

(b) demand from the Assignor, which shall promptly (*unverzüglich*) comply with such demand, for each Debtor of Trade Receivable(s) a signed notification letter in the form of Schedule 1 Part I hereto (including the request for and the form of acknowledgement set forth therein), duly completed and addressed to the respective Debtor and send such letters to the relevant Debtors (or any of them); and/or

(c) notify the relevant Debtors (or any of them) of the Assignment of the Trade Receivable(s) in any other form or way; and/or

(d) request the Assignor, which shall promptly (*unverzüglich*) comply with such request, to notify the relevant Debtors (or any of them) of the Assignment of the Trade Receivables, by delivery of a notification letter substantially in the form of Schedule 1 Part I hereto (including the request for and the form of acknowledgement set forth therein) to the respective Debtor.

5.1.4 The Assignee shall notify the Assignor of its intention to notify the relevant Debtor(s) of the Assignment of the Trade Receivables in accordance with Clause 5.1.2 above by giving 1 (one) week's notice. Such notice period is not necessary if the Assignor has generally ceased to make payments or the commencement of insolvency proceedings is filed by a third person against the Assignor or by the Assignor (in each case unless the application is frivolous or vexatious and is discharged, stayed or dismissed within 45 Business Days of commencement), as the case may be.

5.1.5 Clause 5.1.1 to 5.1.4 (each inclusive) above shall not apply with respect to a Trade Receivable which also qualifies as an Intercompany Receivable, in which case Clause 5.2 (Disclosure of Assignment of Intercompany Receivables) below shall apply.

5.2 Disclosure of Assignment of Intercompany Receivables

The Assignor shall promptly (*unverzüglich*), and in any event within 10 (ten) Business Days:

5.2.1 with respect to Intercompany Receivables which are Existing Claims, upon execution of this Agreement; and

5.2.2 with respect to Intercompany Receivables which are Future Claims, upon such Intercompany Receivable or, if earlier, the underlying contractual relationship, coming into existence,

notify each relevant Debtor, with a copy to the Assignee, of the Assignment of the Intercompany Receivables, by delivering a signed notification letter in the form of Schedule 1 Part II via registered mail with return receipt (*Einschreiben mit Rückschein*) or, if consented to by the Assignee in writing, by fax to each Debtor and shall procure that each Debtor executes the acknowledgement of notification and accepts the terms of the relevant Assignment in the form set out in Schedule 1 Part II. The Assignor will provide the Assignee with a copy of each return receipt (*Rückschein*), or if the notification was sent by fax, of each confirmation of delivery (*Sendebestätigung*) and each acknowledgement of receipt and each acceptance by a Debtor, promptly (*unverzüglich*) upon receipt of such document by the Assignor.

6. ASSIGNMENT OF CLAIMS AGAINST CONDITIONAL VENDORS

6.1 If a Claim is subject to an assignment pursuant to an extended retention of title (*verlängerter Eigentumsvorbehalt*) arrangement with any supplier of the Assignor, the Assignment of such Claim to the Assignee pursuant to this Agreement shall only become effective upon the extinction of such extended retention of title. As long as the supplier is only partly entitled to a Claim, the assignment of such Claim to the Assignee hereunder shall be limited to the part of the Claim to which the Assignor is entitled. The other part of such Claim will be transferred to the Assignee at such time as that part is no longer affected by any extended retention of title.

6.2 The Assignor hereby assigns to the Assignee its right to reassignment of the Claim assigned to a supplier by reason of an extended retention of title (*verlängerter Eigentumsvorbehalt*) as well as any contingent claims to the transfer of all proceeds paid out to the supplier, together with all rights pertaining thereto. The same applies to any possible expectant right (*Anwartschaftsrecht*) with respect to the assignment of any Claim which are subject to a dissolving condition (*auflösende Bedingung*). The Assignee hereby accepts each such assignment.

6.3 Upon the occurrence of an Event of Default which is continuing, theAssignee is entitled (but not obliged) to extinguish the extended retention of title (*verlängerter Eigentumsvorbehalt*) by itself satisfying the supplier.

7. THE ASSIGNOR'S RIGHTS

The Assignor shall be entitled to (i) collect the Claims, (ii) make use of the proceeds and (iii) exercise the ancillary rights and claims assigned to the Assignee pursuant to this Agreement in its ordinary course of trading (and shall in doing so act with the care of a prudent merchant (*Sorgfalt eines ordentlichen Kaufmannes*)). Such entitlement of the Assignor to collect the Claims and to exercise such ancillary rights and claims shall terminate immediately if the Assignee is entitled to collect the Claims in accordance with Clause 9 (Enforcement and Collection) of this Agreement and, in addition, the Assignee notifies the Assignor of the revocation of its rights pursuant to this Clause 7.

8. RIGHT OF INSPECTION, BOOK-KEEPING AND DATA-PROCESSING

8.1 The Assignor hereby authorises the Assignee and the Assignee's accountants, professional advisers and other representatives to access at all reasonable times and upon reasonable notice the premises, assets, books, accounts and records for the purposes of determining the status of the Claims and the validity, enforceability and value of the security interests constituted pursuant to this Agreement.

8.2 If details concerning the Claims have been stored in an electronic data-processing system, the Assignor shall grant the Assignee access to the relevant technical equipment, including peripheral equipment, and all data concerning the Claims. Furthermore, the Assignor shall procure that any additional assistance reasonably required will be provided to the Assignee. If no Event of Default is continuing, the Assignee shall only exercise the rights conferred upon it in this Clause 8.2 upon 5 (five) Business Days' prior notice, during normal business hours and in a manner which duly takes into consideration the legitimate interests of the Assignor within the ordinary course of trading of the Assignor.

8.3 If proof or documents which are reasonably necessary to assert the Claims have been handed over by the Assignor to a third person (in particular a bookkeeping firm or a tax consultant) the Assignor undertakes upon the request of the Assignee to arrange with

such third person that the information and documents are released and submitted to the Assignee and the Assignee shall be entitled to keep and maintain such information and documents to the extent necessary or useful to assert the Claims. The Assignor hereby undertakes to support the Assignee in dealing with any such third person in all respects. The preceding sentence applies accordingly to a third person that handles the electronic processing of data, and the Assignor shall instruct such third person to handle the processing of data for the Assignee to the extent necessary or useful to assert the Claims as it did for the Assignor, in any case for the expense of the Assignor.

8.4 Notwithstanding Clause 8.3 above if proof or documents which are reasonably necessary to assert the Claims have been handed over by the Assignor to a third person (in particular a bookkeeping firm or a tax consultant) the Assignor hereby irrevocably authorises the Assignee to demand, upon the occurrence of an Event of Default and any time thereafter for as long as the Event of Default is continuing, from such third person that the information and documents are released and submitted to the Assignee and the Assignee shall be entitled to keep and maintain such information and documents to the extent necessary or useful to assert the Claims. The Assignor hereby undertakes to instruct any such third person to deliver all such necessary information and documents directly to the Assignee promptly on demand. If a third person handles the electronic processing of data, the Assignor hereby irrevocably authorises (*bevollmächtigen*) the Assignee to exercise all the Assignor's rights against such third person relating to these services, and instructs such third person to handle the processing of data for the Assignee upon its instructions as it did for the Assignor, in any case for the expense of the Assignor.

9. ENFORCEMENT AND COLLECTION

9.1 The Assignee's rights

9.1.1 The Assignee shall be entitled to realise any and all of the Claims (together with any and all other rights and claims transferred or assigned to the Assignee pursuant to this Agreement) at any time after the occurrence of an Event of Default and for as long as the Event of Default is continuing.

9.1.2 The Assignee shall notify the Assignor of its intention to realise the Claims by giving 1 (one) week's prior written notice to the Assignor. The notification of the intention to realise the Claims can be effected simultaneously and in one document with the notification pursuant to Clause 5.1(d) (Disclosure of Assignment of Trade Receivables). Such notice period is not necessary if (i) the Assignor has generally ceased to make payments, (ii) an application for the commencement of

insolvency proceedings over the assets of the Assignor is filed by any third person or by the Assignor (in each case unless the application is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement) or (iii) there is reason to believe that observance of such notice period would adversely affect the enforceability of the security interests constituted pursuant to this Agreement (or any of them).

9.1.3 If and when the Assignee is entitled under this Clause 9.1 to enforce the security interests constituted pursuant to this Agreement the Assignee may (i) collect, or arrange for the collection of, the Claims (or any of them) in its own name or for its own account, (ii) sell, or arrange for the sale of the Claims (or any of them) and/or (iii) exercise any and all rights and claims transferred or assigned to the Assignee pursuant to this Agreement. This includes bringing a suit before a court (*staatliches Gericht*) or an arbitrational tribunal (*Schiedsgericht*), initiate compulsory execution (*Zwangsvollstreckung*) of any judgements or arbitral awards obtained by Assignor or Assignee and take all other enforcement measures (*Beitreibungsmaßnahmen*) Assignee considers to be expedient for the collection of the Claims. The Assignee may then request that all documents relating to the Claims be handed over to the Assignee and the Assignor shall provide the Assignee with all support at its own expenses required for the enforcement of the Claims. Assignor hereby agrees to promptly (*unverzüglich*) comply with any such request. If no Event of Default is continuing, the Assignee's right to collect the Claims shall cease and the Assignee shall pay over to the Assignor all moneys received in connection with such collection and retained by it while an Event of Default was continuing save to the extent any such moneys have been applied in payment of any of the Secured Obligations.

9.1.4 If and to the extent the Assignee collects any Claims pursuant to this Clause 9.1, it may take all measures and enter into all agreements with such Debtors which it considers to be expedient. In particular, the Assignee may grant discounts or indulgence to, and/or enter into settlement agreements with, Debtors (or any Debtor).

9.1.5 The Assignee may determine which part of the Security, if applicable, shall be used to satisfy the Secured Obligations.

9.2 Application of proceeds

9.2.1 The proceeds resulting from the enforcement of the security interests constituted pursuant to this Agreement shall be applied by the Assignee towards payment of the Secured Obligations in accordance with the relevant provisions of the Facility Agreement.

9.2.2 After the full and final satisfaction and discharge of all Secured Obligations any remaining proceeds resulting from the enforcement of the security interests constituted pursuant to this Agreement shall be transferred to the Assignor at the cost and expense of the Assignor.

10. NO RECOURSE

10.1 The Parties hereby agree that no rights and claims shall pass to or otherwise arise for the benefit of the Assignor by subrogation (*gesetzlicher Übergang von Forderungen und Rechten*) or otherwise, including any recourse claims, indemnification claims, claims arising from unjust enrichment (*ungerechtfertigte Bereicherung*) and any right to demand the assignment and/or transfer of any Secured Obligation and/or Security Interest, against the Assignor or grantor of Security Interest which it may (but for this Clause 10) acquire as a result of:

10.1.1 a payment or repayment by the Assignor of any debt of the Assignor under the Facility Agreement; or

10.1.2 an enforcement of the security interests constituted pursuant to this Agreement.

10.2 The Assignor furthermore undertakes not to exercise (pactum de non-petendo), and not to purport to exercise, any such rights and claims which may pass to it or otherwise arise for its benefit notwithstanding this Clause 10 or would pass to it or otherwise arise for its benefit but for this Clause 10.

11. REPRESENTATIONS AND WARRANTIES

The Assignor represents and warrants (*selbständiges Garantieversprechen im Sinne von § 311 BGB*) to the Assignee that on the date of this Agreement:

11.1 it is validly existing and is neither:

11.1.1 unable to pay its debts when they fall due (*zahlungsunfähig*) within the meaning of section 17 of the German Insolvency Code (*Insolvenzordnung*); nor

11.1.2 subject to any insolvency proceedings (*Insolvenzverfahren*) (or other or similar proceedings under the laws of any other applicable jurisdiction) or any refusal of opening insolvency proceedings for insufficiency of assets (*Abweisung mangels Masse*) (within the meaning of section 26 of the German Insolvency Code (*Insolvenzordnung*)), and that it has not filed an application for the opening of insolvency procedures (*Antrag auf Eröffnung eines Insolvenzverfahrens*);

11.2 it is the sole legal and beneficial holder (*Forderungs- bzw. Rechtsinhaber*) of the Existing Claims and the other rights and claims transferred or assigned pursuant to this Agreement except for Claims assigned to third parties pursuant to extended retentions of title (*verlängerter Eigentumsvorbehalt*) or unless otherwise disclosed in the List of Claims;

11.3 the Existing Claims are governed by German law except for any claims governed by U.S. law and claims against AbCheck.

11.4 it has the right to freely dispose (*verfügen*) of the Claims listed in the List of Claims pursuant to Clause 4.1 or Clause 4.3 as the case may be from time to time and the other rights and claims transferred or assigned pursuant to this Agreement and is not subject to any restrictions on assignment and such disposition does not violate the rights of any third person, any contractual undertaking of the Assignor to a third person or any regulatory orders (in each case except for Claims assigned to third parties pursuant to extended retentions of title (*verlängerter Eigentumsvorbehalt*) or unless otherwise disclosed in the List of Claims);

11.5 the Claims listed in the List of Claims pursuant to Clause 4.1 or Clause 4.3 as the case may be from time to time are not in any way encumbered nor subject to any rights of third persons except for Claims assigned to third parties pursuant to extended retentions of title (*verlängerter Eigentumsvorbehalt*) or unless otherwise disclosed in the List of Claims; and

11.6 no litigation, arbitration or administrative proceedings are presently in progress, pending or threatened which restrain, or threaten to restrain, the Assignor in respect of the entry into, the performance of or compliance with any of its obligations pursuant to this Agreement.

12. UNDERTAKINGS

The Assignor undertakes:

12.1 to execute (or ensure execution of) at its own expense each and any other document, make each and any other or additional declaration and take each and any other action, in each case that is reasonably necessary or useful for:

12.1.1 the creation, perfection and/or protection of the Security Interests expressed to be constituted, pursuant to this Agreement; and

12.1.2 the enforcement of the Security Interests expressed to be constituted, pursuant to this Agreement and in particular, if such Security Interests have become enforceable, for facilitating the realisation of all or any part of the Claims and the exercise of all powers, authorities and discretions vested in the Assignee or in any receiver with respect to all or any part of those Claims;

12.2 at its own expense, to execute all transfers, conveyances, assignments and releases whether to the Assignee or to its nominees and give all notices, orders and directions which the Assignee may reasonably request;

12.3 upon request of the Assignee, to promptly (*unverzüglich*) execute such further documents and do such other acts as are necessary in order to fully effect the purposes of this Agreement;

12.4 to provide the Assignee promptly (*unverzüglich*) at its request with all information and documents which are deemed necessary by the Assignee in addition to the information provided pursuant to Clause 4.1 for asserting the Claims;

12.5 to inform the Assignee of any and all subsequent changes in the value of any of the Claims resulting from any complaints, price discounts, set-off, changes to maturity or other reasons, to the extent such changes (or any of them) have, or may be expected to have, a material adverse effect on the value of the Security Interests of the Assignee constituted pursuant to this Agreement, promptly (*unverzüglich*) upon becoming aware of such changes. The same applies if the Assignor becomes aware of circumstances which impair, or may be expected to impair, the ability of a Debtor to make payment;

12.6 to notify the Assignee promptly (*unverzüglich*) of any event or circumstance which adversely affects or may reasonably be expected to adversely affect the validity or enforceability of this Agreement and/or the Security Interest constituted pursuant to this Agreement or which would cause an Event of Default to occur;

12.7 to inform the Assignee promptly (*unverzüglich*) of any attachments (*Pfändung*) regarding any and all of the Claims or any other measures which may impair or jeopardise the Assignee's rights relating to the Claims. In the event of an attachment, the Assignor undertakes to forward to the Assignee promptly (*unverzüglich*) a copy of the attachment order (*Pfändungsbeschluss*), the third party debt order (*Überweisungsbeschluss*) and all other documents necessary for a defence against the attachment. The Assignor shall inform the attaching creditor promptly (*unverzüglich*) about the Assignee's Security Interests pursuant to this Agreement;

12.8 not to enter into:

12.8.1 any genuine or non-genuine current account arrangement (*echtes oder unechtes Kontokorrentverhältnis*) in respect of the Claims (or any of them) during the term of this Agreement without the prior written consent of the Assignee;

12.8.2 any factoring transaction with respect to the Claims (or any of them) without the prior written consent of the Assignee;

12.8.3 any other agreement adversely affecting the assignability or the value of any Claim, in particular not to agree to any settlement (*Vergleich*), ferment (*Stundung*), change of maturity (*Änderung des Fälligkeitszeitpunktes*), moratorium (*Stillhalteabkommen* – pactum de non-petendo) or other amendments of the Claims, other than in the ordinary course of business, without prior written consent of the Assignee or

12.8.4 any agreement subjecting any monetary receivables or claims held by it to any law other than German law, and to notify the Assignee if the aggregate nominal value of monetary receivables or claims held by it not governed by German law (excluding claims against Amphivena) exceed 20 per cent. of the aggregate amount of all monetary receivables and claims of the Assignor;

12.9 not to assign (or purport to assign), encumber or sell any of the Claims to any third person without the Assignee's prior written consent (except for assignments pursuant to an extended retention of title (*verlängerter Eigentumsvorbehalt*), and unless otherwise provided for in the Facility Agreement); and

12.10 to refrain from any other acts or omissions which may reasonably be expected tohave an indirect or direct adverse effect on the validity or enforceability of this Agreement, the Security Interests constituted thereunder (or any of them) or the value of rights and claims secured hereunder.

13. REALEASE AND REASSIGNMENT

13.1 Reassignment

After the full and final satisfaction and discharge of all Secured Obligations, the Assignee shall, at the cost and expense of the Assignor, reassign to the Assignor the Claims (together with any and all other rights and claims transferred or assigned to the Assignee pursuant to this Agreement). The Assignee will, however, assign any Claims (together with any other right and claim transferred or assigned pursuant to this Agreement pertaining to them) to a third person to the extent that it is obliged to do so.

13.2 Release

Even prior to the full and final satisfaction and discharge of all Secured Obligations, the Assignee is obliged to release, upon the Assignor's request, and at the Assignor's cost and expense, all or part of the Security Interest insofar as the realisable value of the Security Interest exceeds, not only temporarily, the Secured Obligations by more than 10 per cent. The Assignee may, at its discretion, determine which part of the Security Interest shall be released.

13.3 Evaluation

For the purpose of calculating the realisable value of the Claims the following shall be deducted from the nominal value of all Claims:

13.3.1 Claims which cannot be assigned, or can be assigned only with the consent of a Debtor who has not consented;

13.3.2 Claims which can be set off with an existing counterclaim;

13.3.3 Claims which are subject to defences or objections due to the fact that the underlying services or performances have not been (fully) rendered; this shall also apply to Claims overdue for more than three months.

13.3.4 Claims which have not been assigned to the Assignee by reason of an extended retention of title pursuant to Clause 6 (Assignment of claims against conditional vendors); and

13.3.5 Claims the assignment of which is not valid due to the governing law and the Debtor's domicile or principal place of business.

13.4 Adjustment

Each of the Parties has the right to demand an adjustment of the security deduction different from that specified above, if the previously agreed security deduction turns out to be too high or too low because of subsequent changes occurring after the date of this Agreement.

14. INDEMNITY

14.1 Liability for Damages

The Assignee shall not be liable for any loss or damage suffered by the Assignor save in respect of such loss or damage which is suffered as a result of gross negligence (*grobe Fahrlässigkeit*) or wilful misconduct (*Vorsatz*) of the Assignee.

14.2 Indemnification

The Assignor shall indemnify the Assignee and keep the Assignee indemnified against any and all losses, actions, claims, out of pocket expenses, demands and liabilities which may be incurred by or made against the Assignee for anything done or omitted in the exercise or purported exercise of the powers contained in this Agreement other than to the extent that such losses, actions, claims, expenses, demands and liabilities are incurred or made against the Assignee as a result of the gross negligence (*grobe Fahrlässigkeit*) or wilful misconduct (*Vorsatz*) of the Assignee.

Any reference in this paragraph to the Assignee includes any attorney, manager, agent or other person appointed by the Assignee in accordance with the provisions of this Agreement and the Facility Agreement.

15. DURATION AND INDEPENDENCE

15.1 Duration

This Agreement shall remain in full force and effect until the full and final satisfaction and discharge of the Secured Obligations. This Agreement shall not cease to exist if any payments made in satisfaction of the Secured Obligations have only temporarily discharged the Secured Obligations.

15.2 Continuing Security

This Agreement shall create a continuing security and no change or amendment whatsoever in the Facility Agreement or in any document or agreement related to it shall affect the validity or limit the scope of this Agreement or the obligations which are imposed on the Assignor pursuant to it.

The Assignor hereby agrees that the Security Interest constituted under or pursuant to this Agreement shall not be affected by any assumption of liability (*Schuldübernahme*) in relation to any of the Secured Obligations and hereby expressly consents (*willigt ein*) to any such assumption of liability within the meaning of section 418 para. 1 sentence 3 of the German Civil Code (*Bürgerliches Gesetzbuch*) (including when applied by analogy).

15.3 Independence

This Agreement and the Security Interests constituted thereunder are independent from all other Security Interests or guarantees which may have been or will be given to the Assignee with respect to any obligation of the Assignor. None of such other Security Interests or guarantees shall in any way prejudice, or be prejudiced by this Agreement or the Security Interests constituted pursuant to this Agreement.

16. COSTS AND EXPENSES

The Assignor shall promptly (*unverzüglich*) on demand pay (or procure payment) to the Assignee the amount of any and all out of pocket costs, charges, fees and expenses (including fees for legal advisers) reasonably incurred by the Assignee in connection with the preparation, execution, performance, amendment or enforcement of, or the monitoring of the Assignor's compliance with its obligations under this Agreement, or any waiver in relation thereto, together in each case with any applicable value added tax (subject to a proper invoice in accordance with applicable legal provisions enabling Transferor to deduct such value added tax as input tax (*Vorsteuerabzug*)) or other taxes. The aforementioned restriction regarding reasonability shall not apply with respect to any and all costs and expenses incurred in connection with the enforcement of the Claims. All amounts due under this Clause 16 shall be subject to Clause 15.4 (Expense Deposit) of the Facility Agreement.

17. PARTIAL INVALIDITY; WAIVER

17.1 Invalidity

If any provision of this Agreement or part thereof should be or become invalid or unenforceable, this shall not affect the validity of the remaining provisions hereof. The invalid or unenforceable provision shall be replaced by that provision which best meets the intent of the replaced provision. This shall apply analogously with respect to anything which is accidentally not regulated in this Agreement (*Vertragslücke*).

17.2 Waiver

No failure to exercise, nor any delay in exercising, on the part of the Assignee, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies provided hereunder are cumulative and not exclusive of any rights or remedies provided by law.

18. **AMENDMENTS**

Changes to and amendments of this Agreement, including this Clause 18, must be made in writing.

19. SUCCESSORS, ASSIGNMENTS AND TRANSFERS

19.1 This Agreement shall be binding upon the Parties hereto and, to the extent legally possible, their respective successor(s) in law.

19.2 The parties hereto hereby agree that any person who is an assignee and transferee of the Assignee pursuant to the Facility Agreement shall, upon such assignment and transfer being effected, become an assignee for the purpose of this Agreement, regardless of whether such transfer is made by way of an assignment (*Einzel- und/oder Gesamtrechtsnachfolge* including *Vertragsübernahme*) or novation or otherwise. The Assignor hereby expressly consents (*willigt ein*) to any such transfer. The Assignee is herewith irrevocably authorized by the Assignor (and for this purpose exempt from the restrictions of Section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) to issue all declarations and to make all statements on behalf of the Assignor which the Assignee shall deem necessary or useful in order to such assignee and transferee becoming an assignee under this Agreement. For the avoidance of doubt, the Assignee is entitled to transfer and assign the Claims to any of the above assignee and transferee.

19.3 The Assignor is entitled to any such transfer with the prior written consent of the Assignee only.

20. NOTICES AND THEIR LANGUAGE

20.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or overnight courier to the following addresses:

20.1.1 If to the Assignor

AFFIMED THERAPEUTICS AG
Technologiepark, Im Neuenheimer Feld 582
69120 Heidelberg, Germany
Attn: Dr. Florian Fischer
Fax: +49 6221 65307 77
Email: f.fischer@affimed.com

with a copy to

CMS Hasche Sigle
Partnerschaft von Rechtsanwälten und Steuerberatern mbB
Nymphenburger Straße 12
80335 Munich, Germany
Attn: Stefan-Ulrich Müller
Fax: +49 89 23807 40667
Email: Stefan-Ulrich.Mueller@cms-hs.com

20.1.2 If to the Assignee

Perceptive Advisors LLC
499 Park Avenue, 25th Floor
New York, New York 10022
United States of America
Attn: Sandeep Dixit
Email: Sandeep@perceptivelife.com

with a copy to:

Morrison & Foerster LLP
Potsdamer Platz 1
10785 Berlin, Germany
Attn: Jörg Meißner
Fax: +49 30 726 221 130
Email: jmeissner@mofo.com

20.2 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective when received (*zugegangen*), in particular:

20.2.1 if by way of fax, when received in legible form; or

20.2.2 if by way of overnight courier, when it has been left at the relevant address.

20.3 Notification of address and fax number

Promptly upon changing its address or fax number, each party shall notify the other Parties.

20.4 English language

20.4.1 Any notice given under or in connection with this Agreement must be in English.

20.4.2 All other documents provided under or in connection with this Agreement must be:

(a) in English; or

(b) if not in English, and if so required by the Assignee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

21. APPLICABLE LAW; JURISDICTION

21.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Federal Republic of Germany, without regard to principles of conflicts of laws.

21.2 Jurisdiction

The place of jurisdiction for all Parties shall be Frankfurt am Main, Federal Republic of Germany, without regard to the principles of conflicts of law.

This Agreement has been entered into at the date stated at the beginning of this Agreement.

Affimed Therapeutics AG

PCOF 1, LLC

PCOF 1, LLC

SCHEDULE 1
FORMS

PART I
FORM OF NOTIFICATION FOR DISCLOSURE UPON EVENT OF DEFAULT AND BLANK NOTIFICATION LETTER

[*Letterhead of the Assignor*]

[insert date and place]

Dear Sirs,

We hereby give you notice that pursuant to a global assignment agreement entered into by us in favour of PCOF 1 LLC (the "**Assignee**") dated [ ] July 2014, we have assigned to the Assignee by way of security assignment all our present and future claims against you together with all ancillary rights and claims pertaining thereto including the claims set out in Annex 1 hereto. The Assignee is solely authorised to collect and deal with the assigned claims, and all payments with respect to the assigned claims have to be made to the Assignee. Therefore payments on the assigned claims with discharging effect can only be effected to the Assignee as assignee and holder of the assigned claims. Please do not make any further payments to us or into our accounts. Please find attached as Annex 2 hereto a copy of the assignment agreement.

Yours faithfully,

[Datum und Ort einfügen]

Sehr geehrte Damen und Herren,

Wir teilen Ihnen hierdurch mit, dass wir mit Abtretungsvertrag (Globalzessionsvertrag) vom [ ] Julie 2014, sämtliche bestehenden und künftigen Forderungen mit allen dazugehörenden Rechten und Ansprüchen gegen Sie an PCOF 1 LLC (der "**Zessionar**") im Wege der Sicherungsabtretung abgetreten haben, einschließlich der in Anlage 1 genannten Forderungen. Der Zessionar allein ist berechtigt, über die Forderungen zu verfügen und Zahlungen auf die Forderungen entgegenzunehmen. Leistungen auf die Forderungen mit schuldbefreiender Wirkung können Ihrerseits daher nur noch an den Zessionar als Abtretungsempfänger und Forderungsinhaber erfolgen. Bitte leisten Sie keine weiteren Zahlungen an uns oder auf unsere Konten. Als Anlage 2 erhalten Sie eine Kopie des Abtretungsvertrages.

Mit freundlichen Grüßen

Affimed Therapeutics AG

Name:
Title:

Acknowledgement of the debtor

We acknowledge receipt of this notification letter and confirm our agreement with the terms thereof.

[insert full name of the debtor]

Name:
Title:
Date:

Affimed Therapeutics AG

Name:
Titel:

Bestätigung des Drittschuldners

Wir bestätigen den Erhalt der Benachrichtigung und erklären unser Einverständnis mit den darin enthaltenen Bestimmungen.

[den vollständigen Namen des Drittschuldners einfügen]

Name:
Titel:
Datum:

ANNEX 1 / ANLAGE 1

DETAILS OF ASSIGNED CLAIMS / EINZELHEITEN DER ABGETRETENEN FORDERUNGEN

ANNEX 2 / ANLAGE 2

COPY OF THE GLOBAL ASSIGNMENT AGREEMENT / KOPIE DES SICHERUNGSABTRETUNGSVERTRAGES

PART II

FORM OF NOTIFICATION FOR IMMEDIATELY DISCLOSED ASSIGNMENT (*OFFENE ZESSION*)

[*Letterhead of the Assignor*]

[*Name and address of debtor*]

[insert date and place]

Dear Sirs,

We hereby give you notice that pursuant to a global assignment agreement entered into by us in favour of PCOF 1 LLC (the "**Assignee**") dated [ ] July 2014, we have assigned to the Assignee by way of security assignment all our present and future claims against you together with all ancillary rights and claims pertaining thereto including the claims set out in Annex 1 hereto. We are authorised by the Assignee to collect the assigned claims in our own name and for our own account and to exercise any rights and claims in the ordinary course of trading until and unless you receive a notification from the Assignee or ourselves to the contrary. Please see attached as Annex 2 a copy of the assignment agreement.

Please acknowledge receipt of this notice and your agreement with the terms hereof by counter-signing this letter and returning the same to us.

Yours faithfully,

[Datum und Ort einfügen]

Sehr geehrte Damen und Herren,

Wir teilen Ihnen hierdurch mit, dass wir mit Abtretungsvertrag (Globalzessionsvertrag) vom [ ]. Juli 2014, , sämtliche bestehenden und künftigen Forderungen mit allen dazugehörenden Rechten und Ansprüchen gegen Sie an PCOF 1 LLC (der "**Zessionar**") im Wege der Sicherungsabtretung abgetreten haben, einschließlich der in Anlage 1 genannten Forderungen. Wir sind vom Zessionar ermächtigt, alle Zahlungen betreffend die abgetretenen Forderungen im eigenen Namen und für eigene Rechnung einzuziehen und entgegenzunehmen und unsere Rechte im Rahmen des gewöhnlichen Geschäftsbetriebs auszuüben, wenn und soweit sie keine anderslautende Mitteilung des Zessionars oder durch uns erhalten. Als Anlage 2 erhalten Sie eine Kopie des Abtretungsvertrages.

Bitte bestätigen Sie den Erhalt dieser Benachrichtigung und Ihr Einverständnis mit den hierin enthaltenen Bestimmungen durch Gegenzeichnung dieser Benachrichtigung und Rücksendung an uns.

Mit freundlichen Grüßen,

Affimed Therapeutics AG

Name:
Title:

Acknowledgement of the debtor

We acknowledge receipt of this notification letter and confirm our agreement with the terms thereof.

[insert full name of the debtor]

Name:
Title:
Date:

Affimed Therapeutics AG

Name:
Titel:

Bestätigung des Drittschuldners

Wir bestätigen den Erhalt der Benachrichtigung und erklären unser Einverständnis mit den darin enthaltenen Bestimmungen.

[*den vollständigen Namen des Drittschuldners einfügen*]

Name:
Titel:
Datum:

ANNEX 1 / ANLAGE 1
DETAILS OF ASSIGNED CLAIMS / EINZELHEITEN DER ABGETRETENEN FORDERUNGEN

ANNEX 2 / ANLAGE 2

COPY OF THE GLOBAL ASSIGNMENT AGREEMENT / KOPIE DES SICHERUNGSABTRETUNGSVERTRAGES

SCHEDULE 19

First-Ranking Pledge Agreement on Intellectual Property Rights

(*Vertrag über Verpfändung von Immaterialgüterrechten*)

between

Affimed Therapeutics AG

and

PCOF 1, LLC

MORRISON
FOERSTER

Table of Contents

This First-Ranking Pledge Agreement on Intellectual Property Rights (*Vertrag über Verpfändung von Immaterialgüterrechten*) ("**Agreement**") is dated July 23, 2014 and made by and among

1) **Affimed Therapeutics AG**, a stock corporation governed by German law (*Aktiengesellschaft*) having its corporate seat in Heidelberg, Germany and business address at Im Neuenheimer Feld 582, 69120 Heidelberg, registered with the local court (*Amtsgericht*) of Mannheim under number HRB 336536

- the "**Pledgor**" -

and

2) **PCOF 1, LLC**, a limited liability company governed by the laws of Delaware, having its business address at 499 Park Avenue, 25th Floor, New York, New York 10022

- the "**Pledgee**" -

- The Pledgor and the Pledgee collectively referred to as the "**Parties**", each a "**Party**" -

PREAMBLE

(A) On July 23, 2014, the Pledgor and the Pledgee entered into a facility agreement ("**Facility Agreement**") which provides for a loan of USD 14,000,000.00 ("**Credit Facility**").

(B) The Shareholders of the Pledgor intend to contribute all their shares in the Pledgor in an entity governed by Dutch law ("**Dutch Guarantor**"). After this contribution the Dutch Guarantor will join the Facility Agreement as guarantor.

(C) It is a condition to the Pledgee making the Credit Facility available under the Facility Agreement that the Pledgor enters into this Agreement.

Now and therefore the Parties agree as follows:

Capitalized terms used herein and not otherwise defined shall have the meaning assigned to them in the Facility Agreement.

1. FIRST-RANKING PLEDGE OF IP-RIGHTS

1.1 First-Ranking Pledge

The Pledgor hereby agrees to grant and hereby grants a first-ranking pledge (*erstrangiges Pfandrecht*) to the Pledgee over any and all of its present and future, national (especially, but not limited to German, Japanese, Canadian, Australian) and European intellectual property rights (but excluding any and all US intellectual property rights), in particular but not limited to all registered and unregistered patents (*Patente*), trademarks (*Marken*), utility models (*Gebrauchsmuster*), utility patterns (*Geschmacksmuster*) including unregistered community designs (*Gemeinschaftsbenutzungsgeschmacksmuster*), business names (*Geschäftsnamen*), signs (*Kennzeichen*), rights to inventions (*Erfindungen*), domain names (*Domainnamen*), licenses (*Lizenzen*), copyrights, if transferable, or all rights of use with regard to copyrights (*urheberrechtliche Nutzungsrechte*) and related rights (*verwandte Schutzrechte*) and any other intellectual property rights, in particular but not limited to the rights listed under Annex 1 (List of IP Rights) hereto, including rights in and to any of the intellectual property rights *(Recht aus dem und Recht auf das IP Recht)*, all ancillary rights and rights associated with the intellectual property rights, including expectancy rights *(Anwartschaftsrechte,* particularly, but not limited to pending patent and trademark applications*)*, rights under filings for registration and right to registration *(Recht auf Anmeldung, Recht auf Erteilung)* (together, the "**IP Rights**").

The rights in Clauses 1.1 (First-Ranking Pledge) are jointly referred to as the "**Pledged Rights**". The first-ranking pledges created under this Clause 1.1 (First-Ranking Pledge) are hereafter referred to as the "**First-Ranking Pledges**".

1.2 Assignment

To the extent not effectively pledged by way of a first-ranking pledge pursuant to Clause 1.1 (First-Ranking Pledge) the Pledgor assigns for security purposes (*Sicherungsabtretung*) to the Pledgee for the benefit of the Pledgee all of the Pledged Rights, provided that (i) on payment or discharge in full of the Secured Claims (as defined below), the Pledgee will re-assign such Pledged Rights to the Pledgor (or as it shall direct) and (ii) until the occurrence of an Enforcement Event (as defined below) that is continuing, the Pledgor may continue to deal with the counterparties to such IP Rights and continue to use and exploit such IP Rights in the running and development of its business.

1.3 Exploitation Right

To the extent a First-Ranking Pledge or an assignment for security purposes under Clause 1.2 (Assignment) is not effective under any applicable law, the Pledgor hereby grants to the Pledgee a worldwide, exclusive, unlimited, transferable and sub-licensable exploitation right to such IP Rights. Provisions of this Agreement regarding the IP Rights shall apply to this exploitation right mutatis mutandis.

1.4 Legal successor

The First-Ranking Pledge in any future Pledged Rights includes any future Pledged Rights acquired by any legal successor (*Gesamtrechtsnachfolger*) of the Pledgor.

1.5 Secured Claims

1.5.1 The First-Ranking Pledges and the assignment for security purposes under this Agreement shall (subject to the following paragraphs) secure all existing and future claims (*Ansprüche*) (whether actual or contingent and whether owned jointly or severally or in any other capacity whatsoever) of the Pledgee against the Pledgor, the Dutch Guarantor and any other Obligor (as defined under the Facility Agreement) arising under or in connection with the Facility Agreement (the "**Secured Claims**").

1.5.2 The term "**Facility Agreement**" as referred to in Clause A and 1.5.1 (Secured Claims) above shall mean the Facility Agreement and any other document entered into by any Obligor in relation thereto, each as extended (including by way of increase of existing tranches or by including new tranches), amended, varied, novated or supplemented from time to time. The Pledgor hereby expressly agrees that the provisions of § 1210 para. 1 sent. 2 of the German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**") shall not apply to this Agreement.

1.5.3 The Secured Claims shall include in particular any claims for the payment of principal interest, costs, fees or damages based on contract, unjust enrichment (*ungerechtfertigte Bereicherung*) or tort (*Delikt*).

1.6 Acceptance of First-Ranking Pledges

The Pledgee hereby accepts the First-Ranking Pledges.

2. EXCLUDED IP RIGHTS

2.1 There shall be excluded from the security created by Clause 1 (First-Ranking pledge of IP rights) above and from the other provisions of this Agreement:

2.1.1 any IP Right which the Pledgor is prohibited from creating security on or over by reason of any contract, lease, license or other arrangement with a third party (including any IP Right which the Pledgor is precluded from creating security on or over without the prior consent of a third party) until the relevant condition or waiver has been satisfied or obtained;

2.1.2 any IP Right which, if subject to any such security, would give a third party (other than a company of the Group) an enforceable right to terminate its obligations by reason of any contract, lease, license or other arrangement provided that:

(a) all proceeds paid or payable to the Pledgor from any sale, transfer or assignment of such license or other agreement and all rights to receive such proceeds shall be included in the security created under Clause 1 (First-Ranking pledge of IP rights);

(b) in the case of any such IP Rights after the date hereof which are material to the conduct of the business of the Pledgor or with respect to which a contravention or other violation caused or arising by its inclusion as security created under Clause 1 (First-Ranking pledge of IP rights) could reasonably be expected to materially adversely effect such IP Rights shall be excluded from the security created under Clause 1 (First-Ranking pledge of IP rights) so long as (but only so long as)

(i) the Pledgor shall have used, or shall be diligently using, commercially reasonable and good faith efforts to obtain all requisite consents or approvals by the other party to such license or other agreement of all of the Pledgor's right, title and interest thereunder to the Pledgee or its designee; and

(ii) the Pledgor shall have given prompt written notice to the Pledgee upon any failure to obtain such consent or approval.

2.1.3 any IP Rights which are listed under Annex 2 (List of excluded IP Rights).

3. USE OF PLEDGED RIGHTS

3.1 Right to use

The Pledgor is (i) entitled to use and exploit and (ii) to the extent a Pledged Right is assigned subject to Clause 1.2 (Assignment) the Pledgee hereby authorises the Pledgor to use and further develop the Pledged Rights in each case (i) within the Pledgor's ordinary course of business (*gewöhnlicher Geschäftsbetrieb*) and with the care of a prudent businessman (*Sorgfalt eines ordentlichen Kaufmanns*) and (ii) as provided for in the Facility Agreement, in particular to grant licences or sub-licences to third parties with respect to the Pledged Rights and to collect payments made in respect of any Pledged Rights, provided that all proceeds arising from any use in respect of a Pledged Right shall at all times be credited to an account pledged to the Pledgee.

3.2 Revocation

The Pledgee may revoke the authorisation under Clause 3.1 (Right to use) above if an Enforcement Event has occurred and is continuing.

4. REPRESENTATIONS

4.1 The Pledgor hereby represents towards the Pledgee as follows:

4.1.1 the Pledgor is the sole owner of the present Pledged Rights listed in Annex 1 except for those listed as being co-owned, and the Pledged Rights are free from any liens and encumbrances (other than the encumbrances hereby created or permitted in the Facility Agreement) or other rights of third parties (other than licences granted in the ordinary course of the Pledgor's business pursuant to Clause 3.1 (Right to use), pursuant to the terms of the Facility Agreement or with the consent of the Pledgee);

4.1.2 all renewal fees or other applicable payments and declarations that have been or are required to maintain each of the IP Rights as of the date of this Agreement have been made in time (unless expressly stated otherwise in Annex 1 (List of IP Rights);

4.1.3 to the best of Pledgor's knowledge and unless otherwise disclosed in writing, no challenges, revocations, claims for assignment or similar claims relating to the IP Rights are pending with any court or authority nor have been threatened in writing;

4.1.4 the assignability, transferability, pledgeability and enforceability of the Pledged Rights is not restricted in any way; however in some cases prior correction of the register will be necessary;

4.1.5 the list of IP Rights attached hereto as Annex 1 (List IP Rights) is a correct and complete list of the Pledged Rights existing on the date of this Agreement of the Pledgor.

4.2 Times of making Representations

The representations set out in Clause 4.1:

4.2.1 shall be made on each drawdown under the Facility Agreement; and

4.2.2 are made on the date hereof and shall be repeated on each date on which any of the representations and warranties set out in the Facility Agreement are repeated, with reference to the facts and circumstances then existing.

5. GENERAL UNDERTAKINGS

The Pledgor undertakes towards the Pledgee:

5.1 not to transfer or encumber the Pledged Rights or dispose of any of the Pledged Rights or any interest therein without the prior written consent of the Pledgee or unless permitted by Clause 3.1;

5.2 to refrain from any acts or omissions which may reasonably be expected to impair the rights granted under this Agreement, for instance acts or omissions which may lead to a waiver of claims based on infringement, or any Pledged Rights, that are reasonably necessary for the conduct of the Pledgor's business, ceasing to exist or being encumbered or transfered, except (i) to the extent that failure to do so could not reasonably be expected to materially adversely affect the IP Rights or (ii) as otherwise permitted by this Agreement or in the Facility Agreement;

5.3 to act in case it is commercially reasonable (at its own costs and in its own name) against infringements, challenges, collisions and other actual or potential impairment of any of the IP Rights that the Pledgor may become aware of provided that the Pledgee shall be authorised to assert, at its reasonable discretion, before the courts or competent authorities any claims against third parties arising from the Pledged Rights in its own name;

5.4 to make timely (at its own costs) all declarations and payments and actions (e.g. uses preserving the protection) that are required to maintain each of the IP Rights and to pursue, as long as commercially reasonable, each pending application until it turns into a registered patent or trade mark respectively (unless expressly stated otherwise in Annex 1 (List of IP Rights));

5.5 enter into and perform all its obligations under this Agreement and ensure the legality, validity, enforceability or admissibility of the First-Ranking Pledge and of the IP Rights;

5.6 to provide the Pledgee upon reasonable request with evidence of the fulfilment of the undertakings under Clauses 5.3, 5.4 and 5.5 and to inform the Pledgee without undue delay upon any occurrence which may endanger the use or enforcement of any of the IP Rights;

5.7 to promptly inform the Pledgee if a third party claims or pretends to own any of the Pledged Rights, or if any of the Pledged Rights are attached (*Pfändung*) or if any other circumstances arise which may reasonably be expected to materially impair the rights of the Pledgee. In the event of an attachment, the Pledgor will forward to the Pledgee without undue delay a copy of the attachment order (*Pfändungsbeschluss*), any transfer order (*Überweisungsbeschluss*) and all other documents reasonably necessary for a defence against the attachment. The Pledgor shall inform the attaching creditor immediately about the First-Ranking Pledges; and

5.8 to make (at its own costs and without undue delay) all further declarations and to do any further acts which are reasonably necessary for the creation, perfection, enforcement or registration of the First-Ranking Pledges and the assignment for security purposes with respect to all German and European IP Rights, in particular, but not limited to, to apply by registered post with return receipt (*Einschreiben mit Rückschein*), if applicable, or by other forms of evidence, the registration of the Pledged Rights in favour of the Pledgee at the respective Patent and Trademark Office (e.g. the German or European Patent and Trademark Office) and/or Copyright Office by sending a notice in substantially the form set out in Annex 3 (Form of the Application of First-Ranking Pledge of IP Rights), if applicable, or the respective national application form, and do all other necessary actions according to the respective local law and the respective European laws (e.g. European Patent Convention, Community Trade Mark Regulation) to register the Pledged Rights without undue delay, but in any event not later than 30 business days after the date of this Agreement. Upon reasonable request by the Pledgee, the Pledgor shall use similar efforts with respect to the IP Rights subject to other jurisdictions.

6. ENFORCEMENT OF FIRST-RANKING PLEDGES

6.1 Enforcement Event

If an Event of Default under the Facility Agreement, subject to the cure period provided for in Clause 21.14 (Cure Period) of the Facility Agreement, has occurred and is continuing and if, in addition, the Secured Claims become due in whole or in part (*Pfandreife*), the Pledgee is entitled to enforce the rights under this Agreement ("**Enforcement Event**").

6.2 Procedure

6.2.1 If an Enforcement Event has occurred and is continuing, the Pledgee may immediately avail itself of all rights and remedies of a pledgee upon default under the laws of the Federal Republic of Germany, in particular as set forth in §§ 1273 para. 2, 1204 et seq. German Civil Code (*Bürgerliches Gesetzbuch*) including, without limitation, the right to cause the Pledged Rights to be sold at public auction.

6.2.2 The Pledgor expressly agrees that, in case the Pledgee seeks enforcement notwithstanding § 1277 sentence 1 German Civil Code (to the extent applicable), no prior obtaining of an enforceable court order (*vollstreckbarer Titel*) will be required and that ten (10) days prior notice of the place and time of any such public sale is sufficient. The provisions of § 1234 para 2 of the German Civil Code shall not apply to this Agreement. Prior notice is not required if (i) the Pledgor has generally ceased to effect payments (*Zahlungseinstellung*) or (ii) the Pledgor has filed for the commencement of insolvency proceedings (*Antrag auf Eröffnung eines Insolvenzverfahrens*) or (iii) insolvency proceedings have been commenced (*Eröffnung eines Insolvenzverfahrens*) against the Pledgor.

6.2.3 Upon the occurrence of an Enforcement Event which is continuing the Pledgee:

(a) may satisfy, at the expense of the Pledgor, any claims of third parties in relation to the Pledged Rights and documents pertaining to IP Rights of the Pledgor and the Pledgor waives its right to object against such actions;

(b) may request the German or European Patent and Trademark office or any other register to record the transfer of ownership of the Pledged Rights resulting from the enforcement of the Pledge; and

(c) for so long as the Enforcement Event is continuing, subject to the Facility Agreement, the Pledgee shall be entitled to appropriate moneys and/or assets to the Secured Claims in such manner or order as it sees fit and any such appropriation shall override any appropriation by the Pledgor.

6.3 Selection, Collective Realisation

Upon the occurrence of an Enforcement Event which is continuing, the Pledgee may at its sole discretion

6.3.1 determine the place in the Federal Republic of Germany where a public auction shall be held;

6.3.2 determine which of several security interests (*persönliche oder dingliche Sicherheiten*), created under this Agreement or other agreements, shall be realised to satisfy the Secured Claims;

6.3.3 realise more Pledged Rights than are necessary to satisfy the Secured Claims, therefore the Pledgor hereby waives the requirement under § 1230 sentence 2 German Civil Code; and

6.3.4 sell several Pledged Rights, whether pledged under this Agreement or other agreements

(a) separately by separate public auctions; or

(b) collectively by a single public auction (*Gesamtversteigerung*).

6.4 Assistance

Upon the occurrence of an Enforcement Event which is continuing, the Pledgor shall, upon request of the Pledgee, without undue delay provide the Pledgee with all documents pertaining to the IP Rights, access to the Pledgor's bookkeeping and/or data processing executed by a third party in relation to any Pledged Right and request delivery of all documents required for the evaluation or realisation of the Pledged Rights directly from the third party (especially from the Pledgor's accountant or tax advisor) at the Pledgor's costs.

6.5 Application of Proceeds

The Pledgee will use any proceeds received with regard to the Pledged Rights for the settlement of the Secured Claims. Any amount exceeding the Secured Claims will be paid to the Pledgor upon complete and irrevocable satisfaction of all Secured Claims. § 1224 German Civil Code shall not apply.

6.6 Recourse Claims

The Pledgor hereby undertakes vis-à-vis the Pledgee not to seek satisfaction for any contractual and/or statutory damage, reimbursement and/or recourse claims against the Pledgor it may have in case of realisation and/or satisfaction of any of the Secured Claims or the enforcement of the First-Ranking Pledges hereunder. The Pledgor expressly waives any rights pursuant to § 1225 of the German Civil Code.

7. SUSPENSE ACCOUNT

Until the Secured Claims are paid in full, the Pledgee may place and keep (for such time as it shall determine) any money received pursuant to this Agreement on account of the Pledgor's liability in respect of the Secured Claims in an interest bearing separate suspense account (to the credit of either the Pledgor or the Pledgee as the Pledgee shall think fit) may retain the same for the period which he consider expedient without having any obligation to apply all or any part of that money in or towards discharge of the Secured Claims.

8. EXPIRATION AND RELEASE

8.1 Expiration

The First-Ranking Pledges will expire by operation of law when all Secured Claims are fully and finally satisfied and/or discharged. Upon request and at the cost of the Pledgor, the Pledgee will promptly confirm the expiration of the First-Ranking Pledges to the Pledgor as a matter of record.

8.2 Release

8.2.1 If at any time prior to complete and irrevocable satisfaction of the Secured Claims the value of the aggregate security granted by the Pledgor to secure the Secured Claims (the "**Security**") which can be expected to be realised in the event of an enforcement of the Security (*realisierbarer Wert*) exceeds 110% of the value of the Secured Claims (the "**Limit**") not only temporarily (*endgültige Übersicherung*), the Pledgee will upon request of the Pledgor in its discretion release such part of the Security so as to reduce the realisable value of the Security to the Limit.

8.2.2 The realisable value of the Pledged Rights shall be established on the basis of their market value reduced by 20 per cent. (deduction for valuation and enforcement risks, including incurred costs and interest). The Pledgor and the Pledgee agree that currently no realisable value of the Pledged Rights shall be established. If one of the Parties subsequently requests that the realisable value of the Pledged Rights shall be established, but the Parties cannot agree on a market value, each party is entitled to demand, at the Pledgor's expense, assessment of the market value by acknowledged chartered accountants.

8.2.3 Each of the Pledgor and the Pledgee may request to agree on a different value or valuation procedures in respect of the total value of Security granted by the Pledgor and the expected value to be realised in the event of an enforcement of the Security provided that the agreed values or valuation procedures have proven to have materially increased or materially decreased as a result of any change of circumstance.

9. NOTICE FORMS

9.1 The Pledgor shall deliver to the Pledgee, within 10 (ten) business days upon the execution of this Agreement 3 (three), and at any time upon the request of the Pledgee, notification forms executed in blank of each of the forms of Annex 3 (Blank Notification Form) hereto for the purpose of notification of the First-Ranking Pledge and the assignment for security purposes to the debtor(s) infringing or threatening to infringe any of the IP Rights pledged or assigned pursuant to Clause 1.1 (First-Ranking Pledge) and Clause 1.2 (Assignment).

9.2 The Pledgor hereby authorises the Pledgee to copy such notification forms executed in blank and to complete such notification forms or copies thereof and to use such form to notify any debtor(s) infringing or threatening to infringe any of the IP Rights pledged pursuant to Clause 1.1 (First-Ranking Pledge) of the First-Ranking Pledge.

10. ATTORNEY

The Pledgor, by way of security and under the condition that an Enforcement Event has occurred and is continuing, irrevocably and severally appoints the Pledgee, and any person nominated for the purpose by the Pledgee (in writing and signed by an officer of the Pledgee) as its attorney (with full power of substitution and delegation) and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Agreement, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Pledgee under this Agreement otherwise for any of the purposes of this Agreement, and the Pledgor covenants with the Pledgee to ratify and confirm all such acts or things made, done or executed by that attorney.

11. INDEMNITIES

11.1 Disclaimer

The Pledgee or any of its agents will not be liable for any loss or damage which is suffered by the Pledgor, save in respect of such loss or damage which is suffered as a result of gross negligence or wilful misconduct (*grobe Fahrlässigkeit oder Vorsatz*) or the breach of an obligation by the Pledgee or any of its agents, the performance of which is essential to the proper performance of this Agreement and compliance with which the parties could be expected to rely upon (*Kardinalpflichten*).

11.2 Indemnities

11.2.1 The Pledgor will indemnify the Pledgee and any of its agents against any losses, claims, out of pocket expenses and liabilities which may be made against or reasonably incurred by the Pledgee or any of its agents for anything done or omitted in the exercise or purported exercise of the powers under this Agreement or occasioned by any breach by the Pledgor of any of its obligations or undertakings under this Agreement.

11.2.2 There will be no indemnification under Clause 11.2.1 (Indemnities) above, to the extent that such losses, claims, expenses and liabilities are incurred by or made against the Pledgee or any of its agents as a result of gross negligence or wilful misconduct (*grobe Fahrlässigkeit oder Vorsatz*) or the breach of an obligation of the Pledgee or any of its agents the performance of which is essential to the proper performance of this Agreement and the compliance with which the parties could be expected to rely upon (*Kardinalpflichten*).

12. ASSIGNMENT AND EXTENSION OF FIRST-RANKING PLEDGES

12.1 Continuing Security

This Agreement shall create a continuing security and no change or amendment whatsoever to the Facility Agreement or any document or agreement relating thereto or in the event of a temporary expiration of the Secured Claimes shall affect the validity of the First-Ranking Pledges and the assignment for security purposes or the obligations which are imposed on the Pledgor pursuant to it. The First-Ranking Pledges and the assignment for security purposes shall cover any future extension of the Secured Claims (including by way of increase of existing tranches or by including new tranches) to which the Pledgor hereby explicitly consents and expressly agrees that the provisions of § 1210 para 1 sentence 2 of the German Civil Code shall not apply to this Agreement.

12.2 Assignment

12.2.1 Any assignment of any of the Secured Claims in whole or in part will, by operation of law, lead to a corresponding transfer of the First-Ranking Pledges created hereby or a corresponding portion thereof in whole or in part which shall rank equally with the initial First-Ranking Pledges created hereunder.

12.2.2 Waiving § 418 of the German Civil Code, the parties hereto agree that the security created hereunder shall not be affected by any transfer or assumption of obligations of any Obligor arising under or in connection with the Facility Agreement to, or by, any third party.

12.3 Substitution of the Pledgee

The Pledgor undertakes to enter into any agreement reasonably required by the Pledgee and otherwise to do whatever is reasonably required by the Pledgee if the Pledgee transfers its rights and obligations under the Facility Agreement wholly or partially to a third party. In particular, the Pledgee may require the Pledgor to create new first-ranking pledges over the Pledged Rights in favour of the third party or another person designated by the Pledgee. To the extent that the Pledgee transfers its rights and obligations under the Facility Agreement to a third party, the Pledgee may also transfer its rights and obligations under this Agreement to which the Pledgor hereby explicitly consents.

13. WAIVERS

13.1 Waiver of Avoidability Defence

The Pledgor expressly waives its defence pursuant to §§ 1211, 770 para. 1 German Civil Code that any of the Secured Claims may be avoided (*Anfechtung*).

13.2 Waiver of Set-off Defence

The Pledgor expressly waives its defence pursuant to §§ 1211, 770 para. 2 German Civil Code that the Pledgee may discharge any of the Secured Claims by the way of set-off (*Aufrechnung*).

13.3 Waiver of Defences of Principal Debtor

The Pledgor hereby expressly waives its defences pursuant to § 1211 para 1 sentence 1 alternative 1 German Civil Code that the principal debtor of any of the Secured Claims has a defence against any of the Secured Claims (*Einreden des Hauptschuldners*).

13.4 Immediate Recourse

The Pledgor waives any right it may have of first requiring the Lender to proceed against or enforce any other rights or security or claim payment from any other person before enforcing the Security constituted hereby.

14. CUMULATIVE POWERS AND AVOIDANCE OF PAYMENTS

14.1 Cumulative Powers

The powers which this Agreement confers on the Pledgee are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the Pledgee thinks appropriate. The respective powers of the Pledgee will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

14.2 Amounts Avoided

If any amount paid by the Pledgor in respect of the Secured Claims is capable of being avoided or set aside on the liquidation or administration of the Pledgor or otherwise, then for the purposes of this Agreement that amount shall not be considered to have been paid. No interest shall accrue on any such amount, unless and until such amount is so avoided or set aside.

15. NOTICES AND THEIR LANGUAGE

15.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or overnight courier to the following addresses:

15.1.1 If to the Pledgor

AFFIMED THERAPEUTICS AG
Technologiepark, Im Neuenheimer Feld 582
69120 Heidelberg, Germany
Attn: Dr. Florian Fischer
Fax: +49 6221 65307 77
Email: f.fischer@affimed.com

with a copy to

CMS Hasche Sigle
Partnerschaft von Rechtsanwälten und Steuerberatern mbB
Nymphenburger Straße 12
80335 Munich, Germany
Attn: Stefan-Ulrich Müller
Fax: +49 89 23807 40667
Email: Stefan-Ulrich.Mueller@cms-hs.com

15.1.2 If to the Pledgee

Perceptive Advisors LLC
499 Park Avenue, 25th Floor
New York, New York 10022
United States of America
Attn: Sandeep Dixit
Email: Sandeep@perceptivelife.com

with a copy to:

Morrison & Foerster LLP
Potsdamer Platz 1
10785 Berlin, Germany
Attn: Jörg Meißner
Fax: +49 30 726 221 130
Email: jmeissner@mofo.com

15.2 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective when received (*zugegangen*), in particular:

15.2.1 if by way of fax, when received in legible form; or

15.2.2 if by way of overnight courier, when it has been left at the relevant address.

15.3 Notification of address and fax number

Promptly upon changing its address or fax number, each party shall notify the other Parties.

15.4 English language

15.4.1 Any notice given under or in connection with this Agreement must be in English.

15.4.2 All other documents provided under or in connection with this Agreement must be:

(a) in English (save for the application of the First-Ranking Pledge in a form as in Annex 2 to be given to the German Patent and Trade Mark office according to Section 29 DPMAV (German ordinance about German Patents and Trademarks); or

(b) if not in English, and if so required by the Pledgee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

16. MISCELLANEOUS

16.1 Interpretation

The meaning of the German expressions used in this Agreement prevails over the meaning of the English expressions to which they relate.

16.2 Remedies Cumulative

No failure or delay on the part of the Pledgee to exercise any power, right or remedy hereunder shall operate as a waiver thereof, nor shall any single or any partial exercise of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

16.3 Reimbursement and Costs

The Pledgor undertakes to reimburse the Pledgee promptly on demand for all reasonableout of pocket costs and expenses including those costs and expenses arising in connection with the taking, holding, protection or enforcement of the First-Ranking Pledges and the assignment for security purposes and the exercise of any other rights of the First-Ranking Pledges reasonably incurred by the Pledgee in connection with this Agreement. The aforementioned restriction regarding the reasonability shall not apply with respect to any and all costs and expenses incurred in connection with the enforcement of the First-Ranking Pledges. The Pledgor also bears the costs (including legal fees) of and in connection with this Agreement. All amounts due under this Clause 16.3 shall be subject to Clause 15.4 (Expense Deposit) of the Facility Agreement.

16.4 Partial Invalidity

If any of the provisions of this Agreement should be or become invalid, unenforceable or impractical (*wirtschaftlich unmöglich*) in whole or in part for whatever reason, including a violation of any laws applicable to it, the validity of the other provisions hereof and the Facility Agreement is not affected. In that case the invalid, unenforceable or impractical provision is deemed to be replaced by such valid, enforceable or practicable provision or arrangement that corresponds as closely as possible to the invalid, unenforceable or impractical provision and to the parties' economic aims pursued by and reflected in this Agreement. The same applies in the event that this Agreement does not contain a provision necessary to achieve the economic purpose as expressed herein (*Regelungslücke*).

16.5 Changes

Changes, amendments and waivers of any provision of this Agreement including this Clause 16.5 (Changes) are only valid if made in writing, unless notarisation or another form is required by law. As written form an exchange of signed signature pages, transmitted by way of fax, computer fax or attached as an electronic photocopy to electronic mail shall be sufficient. However, in the case of faxes, computer faxes or electronic photocopies attached to electronic mail, any party may require that any declaration made by fax, computer fax or electronic photocopy attached to electronic mail shall be confirmed by a letter or, in the event of the conclusion or the amendment of an agreement, that all parties sign an original copy of such agreement.

16.6 Governing Law

This Agreement is governed by the laws of the Federal Republic of Germany, without regard to principles of conflicts of law.

16.7 Jurisdiction

The courts of Frankfurt am Main, Germany have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement; but excluding any dispute in relation to the existence, validity or enforceability of the Secured Claims).

This Agreement has been entered into at the date stated at the beginning of this Agreement.

Affimed Therapeutics AG

PCOF 1, LLC

PCOF 1, LLC

Annex 1
List of IP Rights

1. Multimeric single chain tandem Fv-Antibodies “Flexibodies”

Country	Status	Application No.	Publication/Patent No.
Europe nationalized in AT, BE, CH, DE, ES, FR, GB, IT, NL	Granted	01 122 104.1	EP 1 293 514
USA	Pending	10/489,626	US2005-0079170
Japan	Granted	2003/528863	JP4,373,782

2. Bispecific anti-CD19xCD16 antibodies…

Country	Status	Application Number	Patent No.
Europe nationalized in AT, BE, CH, DE, ES, FR, GB, IE, IT, NL	Granted	01 127 061.8	EP 1 314 741
Japan	Granted	2005-517392	JP 4,373,788

3. Human CD3-specific antibody with immuno-suppressive activity

Country	Status	Application No.	Publication No.
Europe	Pending	02020236.2	EP1400534
Canada	Pending	2,498,523	CA2498523
Japan	Pending	2004-535480	JP2006-516184
USA	Pending	10/527,346	US2006-233787

4. Anti- GPIIb/IIIa antibodies (co-owned) (will not be maintained)

Country	Status	Appl./Patent No.	
USA (Co-Owner)	Granted	10/491,766	US 7,812,136
USA-Cont. (Co-Owner)	Granted	12/877,003	US 8,455,627
Japan	Granted	2003-524458	JP 4 504 017

5. Anti-LRP (laminin receptor) antibody (co-owned) (will not be maintained)

5.1 Use of an antibody against the laminin receptor for tumor diagnostic and therapy

Country	Status	Application No.	Publication/Patent No.
USA	Granted	11/910 478	US 7,901,677
Australia	Granted	2006232836	2006232836

5.2 scFv acting against 37 kDA/67 kDA laminin receptor for prion disease and tumor therapy

Country	Status	Application No.	Patent No.
Europe (Co-ownership)	Granted	04765893.5	EP1670826
US	Granted	10/574,961	US 7,507,797
Japan	Granted	2006-530124	JP 4,625,461

6. Trispecific Flexibodies

Country	Status	Appl./Patent No.
Europe	Pending	14 164523

7. A Bispecifc Tandem Diabody specifically binding EGFRvIII and CD3

Country	Status	Application No.
Europe	Priority Rights	13189599.7; 13179630.2

8. Affimed domain names

www.affimed.com; www.affimed.de

Annex 2
List of Excluded IP Rights

Trademark "TANDAB" for AFM11 and AFM13

Country	Status	Application No.	Registration No.
Germany	Registered	30623328,2	30623328
Europe (CTM)	Registered	005040738	005040738
USA	Registered	IR 920 199	IR 920 199

Patents for AFM11

1. "Multivalent antibody constructs" (TandAb) [inlicensed]

   Application discloses bivalent and tetravalent Fv antibody constructs (TandAb); constructs can be monospecific, bi- or multispecific. Each molecule comprises four variable domains linked by linker 1, 2, and 3 which can differ in length; general diagnostic and therapeutic use, in particular for viral, bacterial or tumoral disease is mentioned

   Patent term: May 5, 2019

   Granted in: Europe, USA, Japan, Australia, Canada

2. "TandAb – New domain order" (TandAb)

   Application covers TandAbs having a different domain order. In contrast to first TandAb application various specificities and medical uses are disclosed; exemplified are CD3xCD19 and HSAxCD3 TandAbs

   Filing date: February 25, 2010

   Status: pending

Patents for AFM13

1. "Multivalent antibody constructs" (TandAb) [inlicensed]

   Application discloses bivalent and tetravalent Fv antibody constructs (TandAb); constructs can be monospecific, bi- or multispecific. Each molecule comprises four variable domains linked by linker 1, 2, and 3 which can differ in length; general diagnostic and therapeutic use, in particular for viral, bacterial or tumoral disease is mentioned

Patent term: May 5, 2019

Granted in: Europe, USA, Japan, Australia, Canada

2. "Anti-CD16A binding molecules"

The invention relates to anti-CD16A binding molecules which are not binding to CD16B; various bispecific antibodies or different antibody formats and their medical uses are disclosed

Filing date: May 26, 2006 (term possible to 2026)

Status: pending in Europe, USA, Australia, Canada, China, Russia, India, Brazil

3. "CD16xCD30" [inlicensed]

Patent relates to bispecific CD16xCD30 Fv antibodies useful for the lysis of CD30 expressing cells (such as HL); exemplified are diabodies; not limited to particular format

Patent term: August 2, 2020

Granted in: Europe

1. "Multivalent antibody constructs" (TandAb)

Country	Status	Application No.	Publication/Patent No.
Germany	Pending	198 19 846.9	DE19819846
Europe nationalized in AT, BE, CH, DK, FR, DE, GB, IT, ES, NL, SE	Granted	99 932 626.7	EP 1 078 004
USA	Granted	09/674 794	7,129,330
USA-DIV I	Granted	11/546,262	7,507,796
USA-DIV II	Granted	12/367,219	8,148,496
Japan	Granted	2000-547118	JP4431277
Australia	Granted	2003203868	AU2003203868
Canada	Granted	2 331 641	CA2 331 641

2. “TandAb – New domain order” (TandAb)

Country	Status	Application No.	Publication/Patent No.
Europe I	Pending	10 154751	EP2361936
Europe II	Pending	11 156 113	EP2371866
USA (provisional)	Abandoned	61/308,205	
USA (regular)	Pending	13/034,920	US2011-0206672
USA – DIV	Pending	13/727,059	US2013-0189263
PCT-Internat.	Completed	PCT/EP2011/062673	WO2013/013700
Australia	Pending	2011373925	
Brazil	Pending	11 2014 0015732	
Canada	Pending	2,842,649	
China	Pending	201180072477.5	
Japan	Pending	2014-520541	
Mexico	Pending	MX/a/2014/000816	
Russia	Pending	2013157040	

3. “Anti-CD16A binding molecules”

Country	Status	Application No.	Publication/Patent No.
Great Britain	Pending	0510790.9	
PCT-Appl Nationalized in US, JP, AU, CA, CN, RU, IN, BR, EP	Completed	PCT/EP2006/005057	WO2006125668
USA	Pending	11/921,123	US2009-0214574
Japan	Granted	2008-512781	JP 5430928
Australia	Granted	2006251283	AU2006251283
Canada	Pending	2609593	CA2609593

China	Pending	200680018364	CN101583625
Russia	Granted	2007144680	RU2491294
India	Granted	1966/MUMNP/2007	
Brazil	Pending	PI0611194-7	BRPI0611194-7
Europe	Granted	6753913.0	EP1888645
Europe-Div	Pending	11190768.9	EP2450380

4. "CD16xCD30"

Country	Status	Application Number	Publication/Patent No.
Germany	Abandoned	199 37 264.0	DE19937264
Europe nationalized in AT, BE, CH, DE, FR, ES, GB, IE, IT NL	Granted	00 958 214.9	EP1206555
USA	Abandoned	10/049,404	

Bispecific CD33 and CD3 Binding Proteins (in collaboration with industry partner)

Country	Status	Application No.
USA	Provisional	62/019,795

Annex 3
Form of the Application of First-Ranking Pledge of IP-Rights

PART A
Form for the Application of First-Ranking Pledge of IP Rights – Patents

An das
Deutsche Patent- und Markenamt

80297 München

Antrag auf Eintragung

- ☐ **einer Verpfändung (§ 29 DPMAV)**
- ☐ **eines sonstigen dinglichen Rechts (§ 29 DPMAV)**
- ☐ **einer Maßnahme der Zwangsvollstreckung (§ 30 Abs. 1 DPMAV)[1]**
- ☐ **eines Insolvenzverfahrens (§ 30 Abs. 2 DPMAV)**

☐ **Telefax vorab am:**

Angaben zum Patent bzw. zur Patentanmeldung

Aktenzeichen: bei mehreren betroffenen Akten bitte gesonderte Liste beifügen.

Name, Sitz und Zustellanschrift des Patentanmelders/-inhabers

Anmelder-Nr.

Name, Sitz und Zustellanschrift des Vertreters des Patentanmelders/-inhabers

Vertreter-Nr.

Name, Sitz und Zustellanschrift des Insolvenzverwalters

P 3200
5.11

[1] Die Pfändung eines Schutzrechts stellt eine Maßnahme der Zwangsvollstreckung nach § 30 Abs. 1 DPMAV dar.

EU-82946 v3

Angaben zum Antragsteller

Name, Sitz und Zustellanschrift des

☐ **dinglich Berechtigten / Gläubigers**

☐ **Betreibers der Zwangsvollstreckung**

Telefon-Nr. Telefax-Nr.

Name, Sitz und Zustellanschrift des Vertreters / des Antragstellers

Telefon-Nr. Telefax-Nr.

Anlagen

☐ Vollmacht

☐ Zustimmungserklärung des Patentanmelders/Patentinhabers (bitte Formblatt P 3201 benutzen)

☐ Nachweise: z.B. Pfändungsbeschluss, Vertrag

☐ Bestallungsurkunde

☐ Eröffnungsbeschluss im Insolvenzverfahren

☐ **Gemeinsamer Antrag des Patentanmelders/-inhabers und des Erwerbers des dinglichen Rechts**
Zustimmungserklärung P 3201 entfällt in diesem Fall

Datum Unterschrift(en)
des Anmelders / Inhabers / Insolvenzverwalters
ggf. Firmenstempel

Datum Unterschrift(en)
des Antragstellers
ggf. Firmenstempel

EU-82946 v3

An das
Deutsche Patent- und Markenamt
Markenabteilung
80297 München

M

(1)

Antrag auf Eintragung*)

☐ **einer Verpfändung**
☐ **eines sonstigen dinglichen Rechts** (derzeit nur Nießbrauch möglich)
☐ **einer Maßnahme der Zwangsvollstreckung**
☐ **eines Insolvenzverfahrens**

(2) **Angaben zur Marke**

Aktenzeichen/Registernummer:

Wiedergabe der Marke:

☐ siehe Anlage

(3) **Anmelder/Inhaber der Marke**

Geschäftszeichen (max. 20 Stellen) _____

Name/
Firma
Straße
PLZ und
Ort Staat

Anmelder-Nr. Telefon-Nr. Telefax-Nr.

(4) **Vertreter**

Geschäftszeichen (max. 20 Stellen) _____

Name
Sozietät
Straße
PLZ und Ort

Vertreter-Nr. Telefon-Nr. Telefax-Nr.

Nr. der Allgemeinen Vollmacht

(5) **Insolvenzverwalter**

Name
Straße
PLZ und Ort

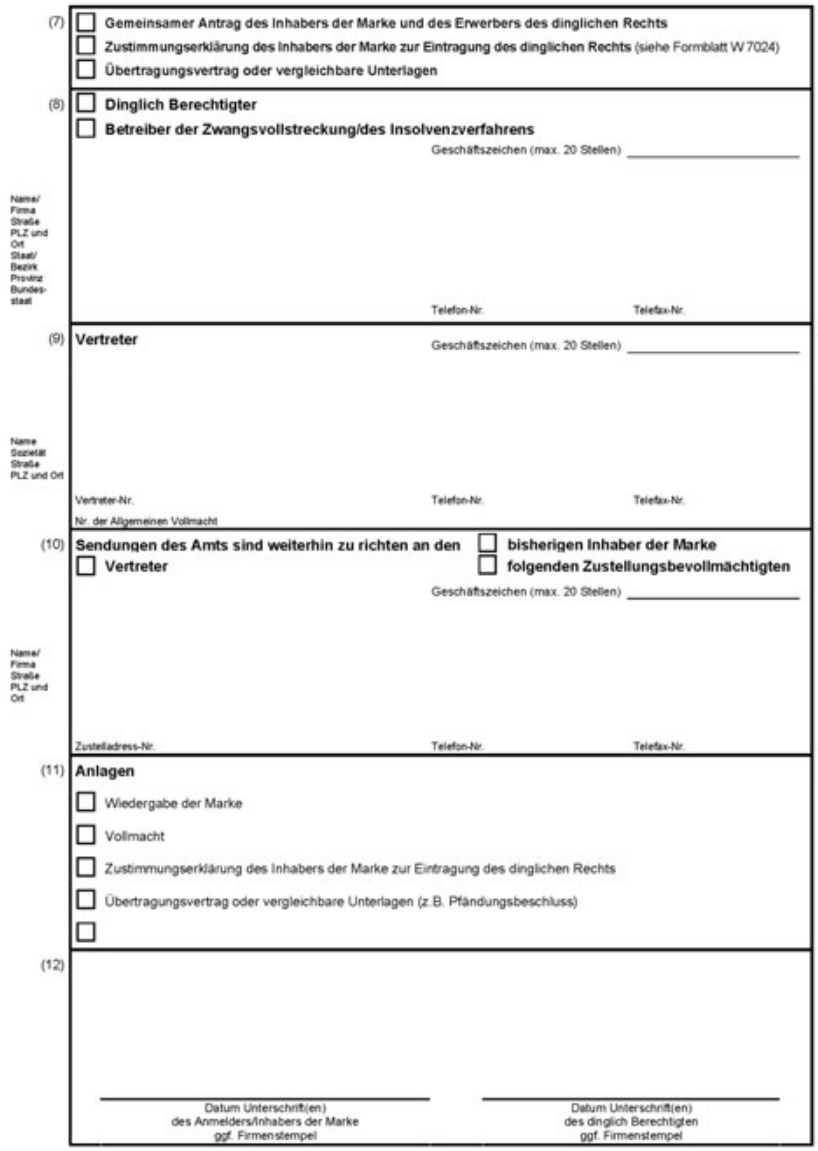
Telefon-Nr. Telefax-Nr.

(6) ☐ **Telefax vorab am:**

W 7022
4.10

*) Bitte ausfüllen in Maschinenschrift oder handschriftlich in Blockschrift

EU-82946 v3


(7)
Gemeinsamer Antrag des Inhabers der Marke und des Erwerbers des dinglichen Rechts
Zustimmungserklärung des Inhabers der Marke zur Eintragung des dinglichen Rechts (siehe Formblatt W 7024)
Übertragungsvertrag oder vergleichbare Unterlagen
(8)
Dinglich Berechtigter
Betreiber der Zwangsvollstreckung/des Insolvenzverfahrens
Geschäftszeichen (max. 20 Stellen)
Name/ Firma Straße PLZ und Ort Staat/ Bezirk Provinz Bundes-staat
Telefon-Nr.
Telefax-Nr.
(9)
Vertreter
Geschäftszeichen (max. 20 Stellen)
Name Sozietät Straße PLZ und Ort
Vertreter-Nr.
Telefon-Nr.
Telefax-Nr.
Nr. der Allgemeinen Vollmacht
(10)
Sendungen des Amts sind weiterhin zu richten an den
Vertreter
bisherigen Inhaber der Marke
folgenden Zustellungsbevollmächtigten
Geschäftszeichen (max. 20 Stellen)
Name/ Firma Straße PLZ und Ort
Zustelladress-Nr.
Telefon-Nr.
Telefax-Nr.
(11)
Anlagen
Wiedergabe der Marke
Vollmacht
Zustimmungserklärung des Inhabers der Marke zur Eintragung des dinglichen Rechts
Übertragungsvertrag oder vergleichbare Unterlagen (z.B. Pfändungsbeschluss)
(12)
Datum Unterschrift(en) des Anmelders/Inhabers der Marke ggf. Firmenstempel
Datum Unterschrift(en) des dinglich Berechtigten ggf. Firmenstempel

EU-82946 v3

An das
Deutsche Patent- und Markenamt
Markenabteilung
80297 München

M

Zustimmungserklärung zur Eintragung eines dinglichen Rechts an der Marke*)

Der unterzeichnende Anmelder/Inhaber der Marke stimmt hiermit der Eintragung eines dinglichen Rechts an der Marke zugunsten des in Ziffer (5) genannten dinglich Berechtigten in dem unter Ziffer (8) beschriebenen Umfang zu.

(1) **Angaben zur Marke**
Aktenzeichen/Registernummer:

Wiedergabe der Marke

☐ siehe Anlage

(2) **Anmelder/Inhaber der Marke** Geschäftszeichen (max. 20 Stellen) _____

Name/Firma
Straße
PLZ und Ort
Staat/Bezirk
Provinz
Bundesstaat

Anmelder-Nr. Telefon-Nr. Telefax-Nr.

(3) **Vertreter** Geschäftszeichen (max. 20 Stellen) _____

Name
Sozietät
Straße
PLZ und Ort

Vertreter-Nr. Telefon-Nr. Telefax-Nr.

Nr. der allgemeinen Vollmacht

(4) ☐ **Telefax vorab am:**

W 7024
11.09

*) Bitte ausfüllen in Maschinenschrift oder handschriftlich in Blockschrift

EU-82946 v3

(5) **Dinglich Berechtigter** Geschäftszeichen (max. 20 Stellen) _____

Name/Firma
Straße
PLZ und Ort
Staat/Bezirk
Provinz
Bundesstaat

Anmelder-Nr. Telefon-Nr. Telefax-Nr.

(6) **Vertreter des dinglich Berechtigten** Geschäftszeichen (max. 20 Stellen) _____

Name
Sozietät
Straße
PLZ und Ort

Vertreter-Nr. Telefon-Nr. Telefax-Nr.

Nr. der allgemeinen Vollmacht

(7) **Das Recht an der Marke**

☐ wird verpfändet
☐ ist Gegenstand eines sonstigen dinglichen Rechts, nämlich

☐ ist Gegenstand von Maßnahmen der Zwangsvollstreckung

(8) **Das dingliche Recht nach Ziffer (7) erfasst**

☐ **alle Waren/Dienstleistungen**
☐ **folgende Waren/Dienstleistungen**

Klasse: Bezeichnung:

☐ siehe Anlage

(9) **Anlagen**

☐ Wiedergabe der Marke
☐ Verzeichnis der Waren/Dienstleistungen
☐

(10)

_____
Datum Unterschrift(en)
ggf. Firmenstempel

EU-82946 v3

Annex 3

Blank Notification Form

(4) **Absender des Antrags ist der**

☐ eingetragene Inhaber/Anmelder der Marke(n) bzw. der Vertreter ☐ Rechtsnachfolger der Marke(n) bzw. Vertreter

(5)

Zustellungen sind nicht an den eingetragenen Inhaber/ Anmelder bzw. dessen Vertreter zu richten, sondern an:

Name, Vorname / Bezeichnung

Straße, Hausnummer

Postleitzahl **Ort**

Land (falls nicht Deutschland)

Telefon-Nr.:

Telefax-Nr.:

Geschäftszeichen:

Zustellungen sind nicht an den Rechtsnachfolger bzw. seinen Vertreter zu richten, sondern an:

Name, Vorname / Bezeichnung

Straße, Hausnummer

Postleitzahl **Ort**

Land (falls nicht Deutschland)

Telefon-Nr.:

Telefax-Nr.:

Geschäftszeichen:

bitte nicht ausfüllen	Anmeldercode-Nr.	Vertretercode-Nr.	Zustelladresscode-Nr.

(6) **Anlagen**

☐ Liste der Registernummern / Aktenzeichen der umzuschreibenden Marken (sofern nicht in Feld (1) aufgeführt)

☐ Vollmachtsurkunde(n)

☐ Bestallungsurkunde (bei Übertragung durch einen Insolvenzverwalter)

☐ _____

☐ _____

(7) **Bei den folgenden Unterschriften sind die Namen in Druckbuchstaben oder Maschinenschrift hinzuzufügen. Bei Firmen Bezeichnung laut Handelsregister mit Angabe der Stellung/Funktion des/der Unterzeichner/s.**

Datum **Unterschrift(en) ggf. Firmenstempel** ***(eingetragener Inhaber/Anmelder der Marke oder sein Vertreter)***

Datum **Unterschrift(en) ggf. Firmenstempel** ***(Rechtsnachfolger oder sein Vertreter)***

Hinweise zum Antrag

zu Feld (1)
Der Antrag kann für mehrere Marken/Markenanmeldungen nur dann gemeinsam gestellt werden, wenn sowohl der eingetragene Inhaber/Anmelder bei allen Marken/Markenanmeldungen dieselbe Person ist als auch der Rechtsnachfolger bei allen Marken/Markenanmeldungen dieselbe Person ist.

zu Feld (7)
Wird der Antrag sowohl vom eingetragenen Inhaber oder seinem Vertreter als auch vom Rechtsnachfolger oder seinem Vertreter unterschrieben, so reicht dies grundsätzlich für den Nachweis des Rechtsübergangs aus.

EU-82946 v3

An das
Deutsche Patent- und Markenamt
Markenabteilung
80297 München

M

Zustimmungserklärung zur Eintragung eines dinglichen Rechts an der Marke*)

Der unterzeichnende Anmelder/Inhaber der Marke stimmt hiermit der Eintragung eines dinglichen Rechts an der Marke zugunsten des in Ziffer (5) genannten dinglich Berechtigten in dem unter Ziffer (8) beschriebenen Umfang zu.

(1) **Angaben zur Marke**
Aktenzeichen/Registernummer:

Wiedergabe der Marke

☐ siehe Anlage

(2) **Anmelder/Inhaber der Marke** Geschäftszeichen (max. 20 Stellen) _____

Name/Firma
Straße
PLZ und Ort
Staat/Bezirk
Provinz
Bundesstaat

Anmelder-Nr. Telefon-Nr. Telefax-Nr.

(3) **Vertreter** Geschäftszeichen (max. 20 Stellen) _____

Name
Sozietät
Straße
PLZ und Ort

Vertreter-Nr. Telefon-Nr. Telefax-Nr.

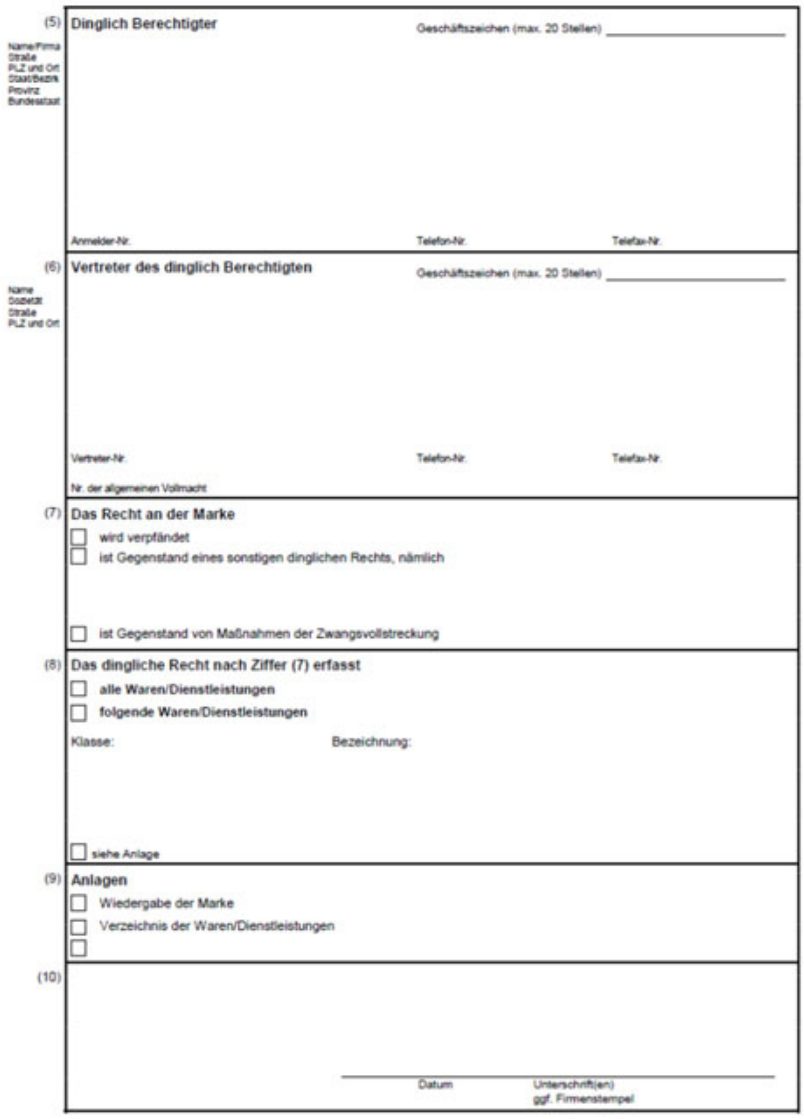
Nr. der allgemeinen Vollmacht

(4) ☐ **Telefax vorab am:**

W 7024
11.09

*) Bitte ausfüllen in Maschinenschrift oder handschriftlich in Blockschrift

EU-82946 v3



(5) **Dinglich Berechtigter** Geschäftszeichen (max. 20 Stellen) _____

Name/Firma
Straße
PLZ und Ort
Staat/Bezirk
Provinz
Bundesstaat

Anmelder-Nr. Telefon-Nr. Telefax-Nr.

(6) **Vertreter des dinglich Berechtigten** Geschäftszeichen (max. 20 Stellen) _____

Name
Sozietät
Straße
PLZ und Ort

Vertreter-Nr. Telefon-Nr. Telefax-Nr.

Nr. der allgemeinen Vollmacht

(7) **Das Recht an der Marke**

☐ wird verpfändet
☐ ist Gegenstand eines sonstigen dinglichen Rechts, nämlich

☐ ist Gegenstand von Maßnahmen der Zwangsvollstreckung

(8) **Das dingliche Recht nach Ziffer (7) erfasst**

☐ **alle Waren/Dienstleistungen**
☐ **folgende Waren/Dienstleistungen**

Klasse: Bezeichnung:

☐ siehe Anlage

(9) **Anlagen**

☐ Wiedergabe der Marke
☐ Verzeichnis der Waren/Dienstleistungen
☐

(10)

_____
Datum Unterschrift(en)
ggf. Firmenstempel

EU-82946 v3

Absender Sender Expéditeur	Ort, Datum Place, date Lieu, date

An das
Deutsche Patent- und Markenamt
80297 München

Betr.: Antrag auf Umschreibung von Patenten / Patentanmeldungen
Ref.: Request to record the details of transfer of ownership of patents / patent applications
Concerne: Requête en enregistrement de transfert de brevets / demandes de brevets

Es wird beantragt, folgende(s) Patent(e) / Patentanmeldung(en)
It is hereby requested to record the transfer of ownership of the following patent(s) / patent application(s)
Par la présente, les soussignés requièrent l'enregistrement du transfert du (des) brevet(s) suivant(s) / de la (des) demande(s) de brevet suivante(s)

(Aktenzeichen) (file number/s) (numéro du dossier)

im Register des Deutschen Patent- und Markenamts umzuschreiben von
in the register of the German Patent and Trade Mark Office, from the
au registre de l'Office allemand des brevets et des marques de

(eingetragener Anmelder / Inhaber) (registered applicant / owner) (déposant / titulaire enregistré)

auf
to the
à l'acquéreur suivant

(Erwerber) (assignee) (nom de l'acquéreur)

Unterschrift des eingetragenen Anmelders / Inhabers oder Vertreters Signature of the registered applicant / owner or representative Signature du déposant / titulaire enregistré ou du mandataire	Unterschrift des Erwerbers oder Vertreters Signature of the assignee or representative Signature de l'acquéreur ou du mandataire

Bei den Unterschriften sind die Namen in Druckbuchstaben zu wiederholen.
Bei Firmen Bezeichnung laut Handelsregister mit zusätzlicher Funktionsbezeichnung des / der Unterzeichner/s.
Please indicate the name also in block capitals.
In case of companies, name of the company as registered in the commercial register and indication of the position/s of the undersigned.
Les noms des signataires doivent également être indiqués en caractères d'imprimerie.
S'il s'agit d'un établissement, il convient d'apporter le nom commercial selon le registre du commerce avec mention additionnelle de la position du (des) soussigné(s).

Hinweis:
Bei mehreren (künftigen) Anmeldern / Inhabern muss zusätzlich zum Umschreibungsantrag ein gemeinsamer Zustellungsbevollmächtigter von allen künftigen Anmeldern / Inhabern benannt werden.

Nur auszufüllen von Patent- und Rechtsanwälten – sofern zutreffend – :

☐ Wir vertreten die / den
- ☐ bisherige/n Patentanmelder/in / Patentinhaber/in
- ☐ künftige/n Patentanmelder/in / Patentinhaber/in

Name und Unterschrift des Patent- oder Rechtsanwalts

P 3190
8.02

EU-82946 v3

An das
Deutsche Patent- und Markenamt

80297 München

Zustimmungserklärung zur Eintragung

- ☐ **eines Rechtsübergangs (§ 28 DPMAV)**
- ☐ **einer Verpfändung (§ 29 DPMAV)**
- ☐ **eines sonstigen dinglichen Rechts (§ 29 DPMAV)**

☐ Telefax vorab am:

Angaben zum Patent bzw. zur Patentanmeldung

Aktenzeichen, bei mehreren betroffenen Akten bitte gesonderte Liste beifügen:

Name, Sitz und Zustellanschrift des Patentanmelders/-inhabers

Anmelder-Nr.

Name, Sitz und Zustellanschrift des Vertreters des Patentanmelders/-inhabers

Vertreter-Nr.

Angaben zum Berechtigten

Name, Sitz und Zustellanschrift des Rechtsnachfolgers / des dinglich Berechtigten

P 3201
5.06

EU-82946 v3

Das Recht an dem Patent bzw. der Patentanmeldung

☐ wird übertragen (§ 28 DPMAV)

☐ wird verpfändet (§ 29 DPMAV)

☐ ist Gegenstand eines sonstigen dinglichen Rechts (§ 29 DPMAV), nämlich

Der Rechtsübergang / das dingliche Recht erfasst

☐ *alle Patente bzw. Patentanmeldungen*

☐ *folgende Patente bzw. Patentanmeldungen*

lfd. Nr. laut Anlageblatt des Patents bzw. der Patentanmeldung

Anlagen

☐

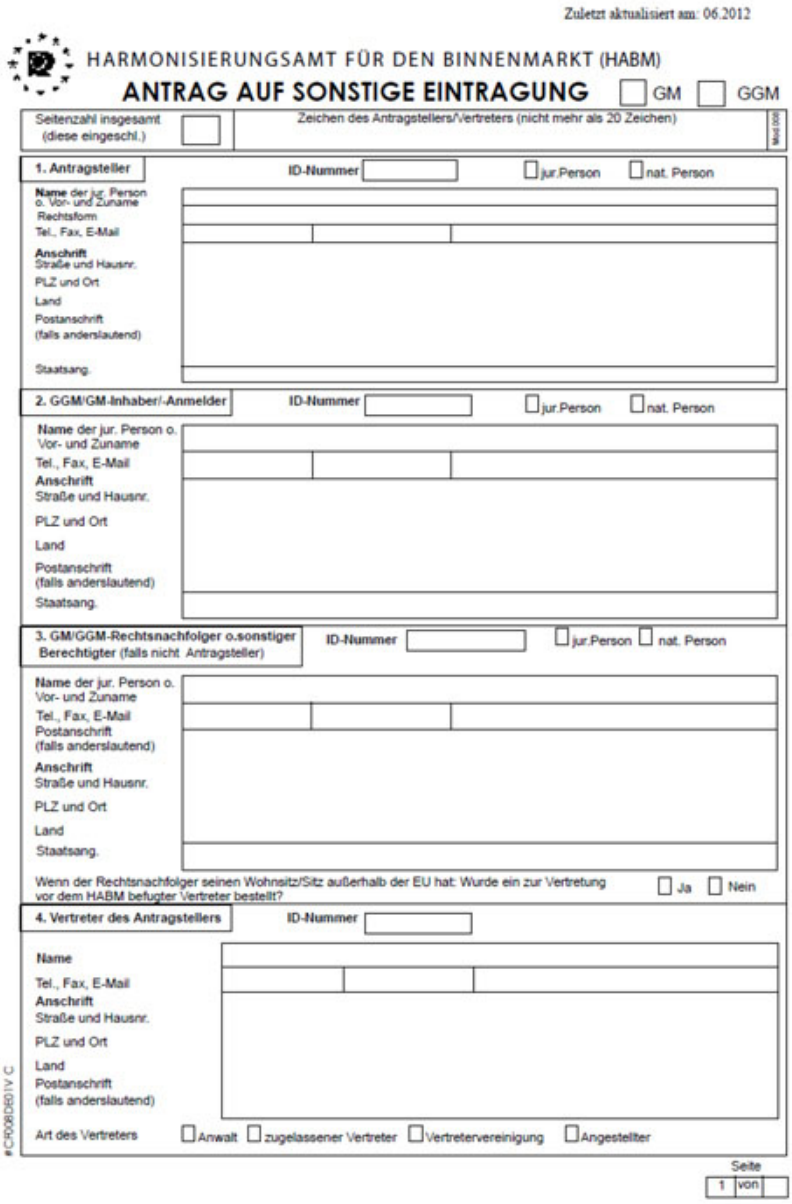
☐

☐

Datum

Unterschrift(en)
ggf. Firmenstempel

EU-82946 v3



Zuletzt aktualisiert am: 06.2012

HARMONISIERUNGSAMT FÜR DEN BINNENMARKT (HABM)

ANTRAG AUF SONSTIGE EINTRAGUNG ☐ GM ☐ GGM

Seitenzahl insgesamt (diese eingeschl.) ☐ | Zeichen des Antragstellers/Vertreters (nicht mehr als 20 Zeichen)

1. Antragsteller — ID-Nummer ☐ ☐ jur.Person ☐ nat. Person

Name der jur. Person o. Vor- und Zuname
Rechtsform
Tel., Fax, E-Mail
Anschrift Straße und Hausnr.
PLZ und Ort
Land
Postanschrift (falls anderslautend)
Staatsang.

2. GGM/GM-Inhaber/-Anmelder — ID-Nummer ☐ ☐ jur.Person ☐ nat. Person

Name der jur. Person o. Vor- und Zuname
Tel., Fax, E-Mail
Anschrift Straße und Hausnr.
PLZ und Ort
Land
Postanschrift (falls anderslautend)
Staatsang.

3. GM/GGM-Rechtsnachfolger o.sonstiger Berechtigter (falls nicht Antragsteller) — ID-Nummer ☐ ☐ jur.Person ☐ nat. Person

Name der jur. Person o. Vor- und Zuname
Tel., Fax, E-Mail
Postanschrift (falls anderslautend)
Anschrift Straße und Hausnr.
PLZ und Ort
Land
Staatsang.

Wenn der Rechtsnachfolger seinen Wohnsitz/Sitz außerhalb der EU hat: Wurde ein zur Vertretung vor dem HABM befugter Vertreter bestellt? ☐ Ja ☐ Nein

4. Vertreter des Antragstellers — ID-Nummer ☐

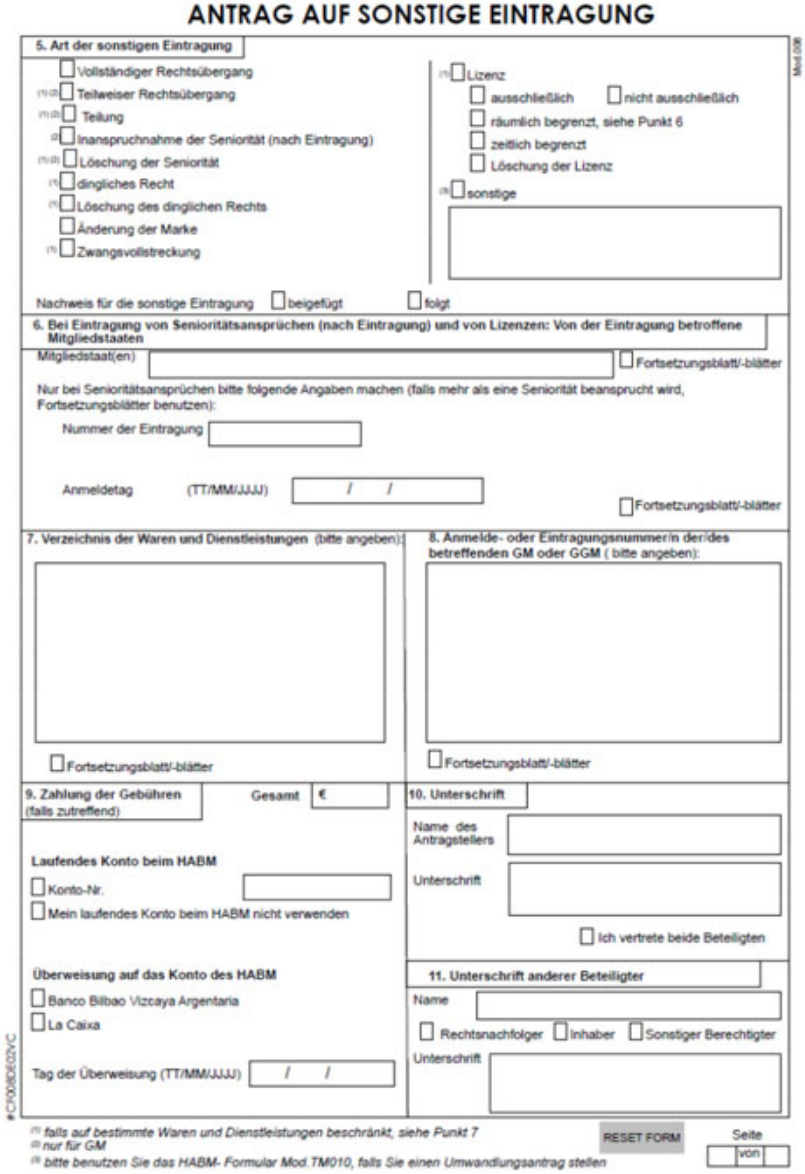
Name
Tel., Fax, E-Mail
Anschrift Straße und Hausnr.
PLZ und Ort
Land
Postanschrift (falls anderslautend)

Art des Vertreters ☐ Anwalt ☐ zugelassener Vertreter ☐ Vertretervereinigung ☐ Angestellter

#CR00BD0 V C

Seite 1 von ☐

EU-82946 v3



ANTRAG AUF SONSTIGE EINTRAGUNG

5. Art der sonstigen Eintragung

- ☐ Vollständiger Rechtsübergang
- (1)(2) ☐ Teilweiser Rechtsübergang
- (1)(2) ☐ Teilung
- (2) ☐ Inanspruchnahme der Seniorität (nach Eintragung)
- (1)(2) ☐ Löschung der Seniorität
- (1) ☐ dingliches Recht
- (1) ☐ Löschung des dinglichen Rechts
- ☐ Änderung der Marke
- (1) ☐ Zwangsvollstreckung
- (1) ☐ Lizenz
  - ☐ ausschließlich ☐ nicht ausschließlich
  - ☐ räumlich begrenzt, siehe Punkt 6
  - ☐ zeitlich begrenzt
  - ☐ Löschung der Lizenz
- (3) ☐ sonstige

Nachweis für die sonstige Eintragung ☐ beigefügt ☐ folgt

6. Bei Eintragung von Senioritätsansprüchen (nach Eintragung) und von Lizenzen: Von der Eintragung betroffene Mitgliedstaaten

Mitgliedstaat(en) ☐ Fortsetzungsblatt/-blätter

Nur bei Senioritätsansprüchen bitte folgende Angaben machen (falls mehr als eine Seniorität beansprucht wird, Fortsetzungsblätter benutzen):

Nummer der Eintragung

Anmeldetag (TT/MM/JJJJ) / /

☐ Fortsetzungsblatt/-blätter

7. Verzeichnis der Waren und Dienstleistungen (bitte angeben):

☐ Fortsetzungsblatt/-blätter

8. Anmelde- oder Eintragungsnummer/n der/des betreffenden GM oder GGM (bitte angeben):

☐ Fortsetzungsblatt/-blätter

9. Zahlung der Gebühren (falls zutreffend) Gesamt €

Laufendes Konto beim HABM

☐ Konto-Nr.

☐ Mein laufendes Konto beim HABM nicht verwenden

Überweisung auf das Konto des HABM

☐ Banco Bilbao Vizcaya Argentaria

☐ La Caixa

Tag der Überweisung (TT/MM/JJJJ) / /

10. Unterschrift

Name des Antragstellers

Unterschrift

☐ Ich vertrete beide Beteiligten

11. Unterschrift anderer Beteiligter

Name

☐ Rechtsnachfolger ☐ Inhaber ☐ Sonstiger Berechtigter

Unterschrift

(1) falls auf bestimmte Waren und Dienstleistungen beschränkt, siehe Punkt 7
(2) nur für GM
(3) bitte benutzen Sie das HABM- Formular Mod.TM010, falls Sie einen Umwandlungsantrag stellen

RESET FORM

Seite ☐ von ☐

EU-82946 v3

MM5(E)

MADRID AGREEMENT AND PROTOCOL CONCERNING THE

INTERNATIONAL REGISTRATION OF MARKS

REQUEST FOR THE RECORDING OF A CHANGE IN OWNERSHIP

(Rule 25 of the Common Regulations)

IMPORTANT

1. This request may be presented to the International Bureau directly by the holder (or his recorded representative), through the Office of the Contracting Party of the (recorded) holder or through the Office of the Contracting Party of the new owner (transferee).

2. If the present request relates to a **total** change in ownership, as provided for in item 6(a), this form may be used for **several** international registrations in the name of the same holder.

3. If the present request relates to a **partial** change in ownership, as provided for in item 6(b), this form may only be used to request the recording of a change in ownership for a **single** international registration.

World Intellectual Property Organization
34, chemin des Colombettes
1211 Geneva 20, Switzerland
Tel. (Madrid Customer Service): +41 (0)22 338 8686
Fax (Madrid Registry): +41 (0)22 740 1429
e-mail: intreg.mail@wipo.int – Internet: www.wipo.int

MM5(E) – March 2014

MM5(E)

REQUEST FOR THE RECORDING OF A CHANGE IN OWNERSHIP

For the holder (transferor)/new owner (transferee)	For the Office
This request contains the following number of continuation sheets: ..... Holder/new owner's reference:	Office's reference: .....

1 INTERNATIONAL REGISTRATION NUMBER(S)
(several international registrations may be indicated below, provided that all registrations concerned are the subject of a **total** change in ownership, as provided for in item 6(a))

....

2 NAME OF THE HOLDER (TRANSFEROR)
(as recorded in the International Register)

.....

3 NEW OWNER (TRANSFEREE)

(a) Name: .....

(b) Address: .....

.....

(c) Address for correspondence: .....

.....

(d) Telephone: ..... Fax: .....

E-mail address: .....

By providing an e-mail address, any further correspondence from the International Bureau related to this/these international registration(s) will be sent only electronically and, **therefore, you will no longer receive any paper correspondence**. Likewise, any further correspondence from the International Bureau related to other international applications or international registrations for which the same e-mail address has been, or will be, provided will also be sent only electronically. Please note that, for the purpose of electronic communication, there can be only one e-mail address recorded per each international registration.

MM5(E) – March 2014

EU-82946 v3

4 ENTITLEMENT OF THE NEW OWNER (TRANSFEREE) TO BE THE HOLDER OF THE INTERNATIONAL REGISTRATION

(a) Indicate in the appropriate space(s):

(i) the name of the Contracting State of which the new owner (transferee) is a national; and/or,

.....

(ii) the name of the State member of a Contracting Organization of which the new owner (transferee) is a national; and/or,

.....

(iii) the name of the Contracting Party in the territory of which the new owner (transferee) is domiciled; and/or,

.....

(iv) the name of the Contracting Party in the territory of which the new owner (transferee) has a real and effective industrial or commercial establishment:

.....

(b) Where the new owner (transferee) is not a national of a Contracting State or of a State member of a Contracting Organization and the address given in item 3(b) is not in the territory of any of the Contracting Parties mentioned in paragraph (a)(iii) or (iv) of the present item, indicate in the space provided below:

(i) the address of the new owner (transferee) in the territory of the Contracting Party mentioned in paragraph (a)(iii) of the present item; or,

(ii) the address of the new owner's (transferee) industrial or commercial establishment in the territory of the Contracting Party mentioned in paragraph (a)(iv) of the present item.

.....

.....

5 APPOINTMENT OF A REPRESENTATIVE BY THE NEW OWNER (TRANSFEREE)[1]

Name: .....

Address: .....

.....

Telephone: ..... Fax: .....

E-mail address: .....

By providing an e-mail address, any further correspondence from the International Bureau related to this/these international registration(s) will be sent only electronically and, **therefore, you will no longer receive any paper correspondence**. Likewise, any further correspondence from the International Bureau related to other international applications or international registrations for which the same e-mail address has been, or will be, provided will also be sent only electronically. Please note that, for the purpose of electronic communication, there can be only one e-mail address recorded per each international registration.

SIGNATURE OF THE NEW OWNER (TRANSFEREE) APPOINTING THE ABOVE REPRESENTATIVE (**compulsory**)

.....

[1] This item should be used where the new owner (*transferee*) wishes to appoint a representative. Note that, if the person recorded as the representative of the holder (*transferor*) is to be recorded as the representative of the new owner (*transferee*), such appointment should be made by completing this item.

6 SCOPE OF THE CHANGE IN OWNERSHIP **(check either (a) or (b))**

(a) ☐ TOTAL CHANGE IN OWNERSHIP (the change in ownership is to be recorded for **all** the Contracting Parties designated in the international registration(s) indicated in item 1, and for **all** the goods and services covered by such international registration(s));

(b) ☐ PARTIAL CHANGE IN OWNERSHIP **(read note No. 3 on the cover page before checking this box)**

(i) the change in ownership is to be recorded for the designated Contracting Parties indicated below (if no Contracting Party is indicated, it will be understood that the change in ownership is to be recorded in respect of all the designated Contracting Parties); and/or,

.....

.....

.....

(ii) the change in ownership is to be recorded for the goods and services indicated below (grouped in the appropriate classes); if no goods and services are indicated, it will be understood that the change in ownership is to be recorded in respect of all goods and services.

You can find indications that are pre-accepted by the International Bureau in the Madrid Goods & Services Manager (MGS) at www.wipo.int/mgs/.

Please use font "Courier New" or "Times New Roman", size 12 pt, or above.

Please make consistent use of a semicolon (;) to clearly specify the goods and services indications in your list, e.g.: 09 Scientific, optical and electronic apparatus and instruments; screens for photoengraving; computers. 35 Advertising; compilation of statistics; commercial information agencies.

.....

.....

.....

.....

.....

.....

.....

.....

☐ If the space provided above is not sufficient, check the box and use a continuation sheet

7 MISCELLANEOUS INDICATIONS

(a) Indications concerning the new owner (transferee) (as may be required by certain designated Contracting Parties):

(i) if the new owner (transferee) is a natural person, indicate the nationality: .....

(ii) if the new owner (transferee) is a legal entity:

– legal nature of the legal entity: .....

– State and, where applicable, territorial unit within that State, under the law of which the legal entity is organized:

.....

(b) The new owner (transferee) may choose a preferred language for correspondence:

☐ English ☐ French ☐ Spanish

8 SIGNATURE BY THE HOLDER (TRANSFEROR) AND/OR HIS REPRESENTATIVE

Holder (transferor) (as recorded in the International Register)	Representative of the holder (transferor) (as recorded in the International Register)
Name:	Name: .....
Signature:	Signature: .....

MM5(E) – March 2014

EU-82946 v3

9 OFFICE OF THE CONTRACTING PARTY (OF THE RECORDED HOLDER (TRANSFEROR) OR THAT OF THE NEW OWNER (TRANSFEREE)) PRESENTING THE REQUEST (where the request is presented through an Office)

Name of the Office: .....

.....

Name and signature of the official signing on behalf of the Office: .....

.....

FEE CALCULATION SHEET

(a) INSTRUCTIONS TO DEBIT FROM A CURRENT ACCOUNT

☐ The International Bureau is hereby instructed to debit the required amount of fees from a current account opened with the International Bureau (if this box is checked, it is not necessary to complete (b)).

Holder of the account: ..... Account number: .....

Identity of the party giving the instructions: .....

(b) AMOUNT OF FEES (see Fee Calculator: www.wipo.int/madrid/en/fees/calculator.jsp)

Amount (177 Swiss francs) x ..... (per international registration mentioned in item 1) **Grand total (Swiss francs)** .....

(c) METHOD OF PAYMENT

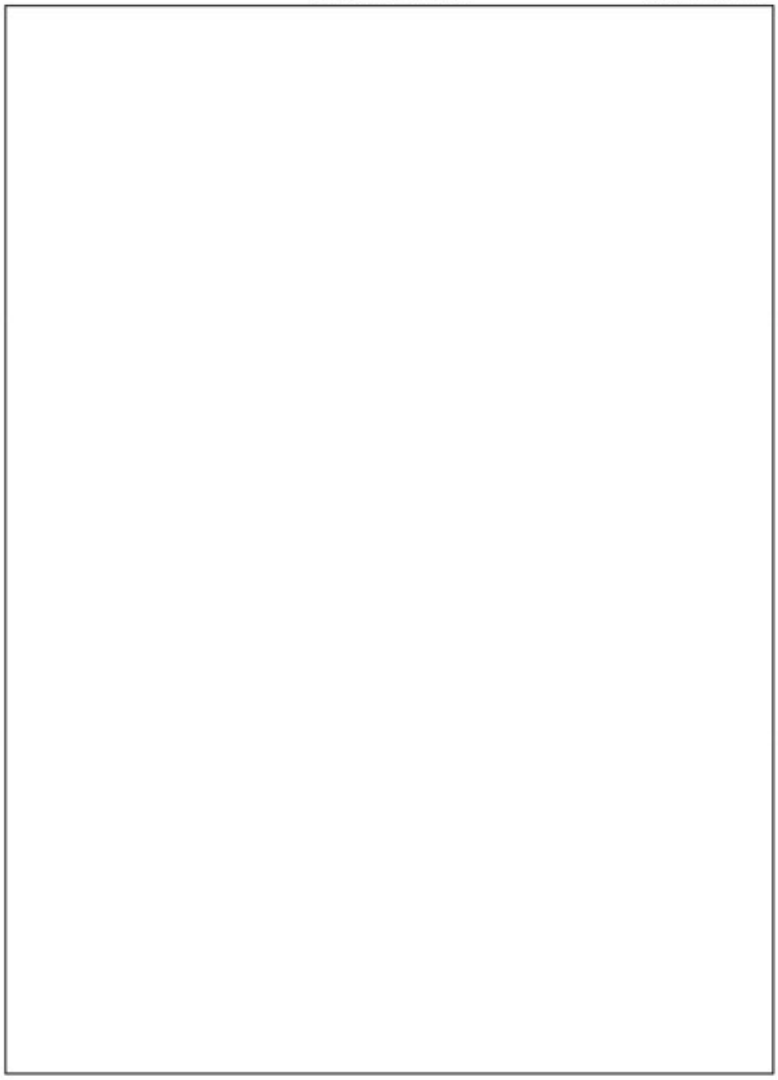
Identity of the party effecting the payment: .....

Payment received and acknowledged by WIPO	☐	WIPO receipt number	
Payment made to WIPO bank account IBAN No. CH51 0483 5048 7080 8100 0 Crédit Suisse, CH-1211 Geneva 70 Swift/BIC: CRESCHZZ80A	☐	Payment identification	dd/mm/yyyy .....
Payment made to WIPO postal account (within Europe only) IBAN No. CH03 0900 0000 1200 5000 8 Swift/BIC: POFICHBE	☐	Payment identification	dd/mm/yyyy .....

MM5(E) – March 2014

EU-82946 v3

CONTINUATION SHEET No: ..... of .....



MM5(E) – March 2014

SCHEDULE 20

PLEDGE AND SECURITY AGREEMENT

This PLEDGE AND SECURITY AGREEMENT, dated as of 24 July 2014 (as amended or otherwise modified from time to time, this "Security Agreement"), is made by AFFIMED THERAPEUTICS AG, a German stock corporation (the "Grantor"), in favor of PCOF 1, LLC, a limited liability company governed by the laws of Delaware, as the secured party (the "Secured Party").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Term Facility Agreement, dated as of , 2014, by and between the Grantor, as borrower, and the Secured Party, as lender (as amended or otherwise modified from time to time, the "Loan Agreement"; all capitalized terms not otherwise defined herein shall have the means to such terms provided in the Loan Agreement), the Secured Party has extended Commitments to make Loans to the Grantor; and

WHEREAS, as a condition precedent to the making of the Loans under the Loan Agreement, the Grantor is required to execute and deliver this Security Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of the Secured Party, as follows:

1. *Security Interest.* In order to secure the obligations referred to below, the Grantor or hereby grants to the Secured Party a security interest in the following (the "**Collateral**"):

(a) all of the Grantor's right, title and interest in and to that certain Amended and Restated License and Development Agreement dated July 11, 2013 (as amended or otherwise modified from time to time, the "Development Agreement") to extent permitted under the terms of Development Agreement;

(b) all of the Grantor's right, title and interest in and to any Warrant Redemption Payments (as such term is defined in Amended and Restated Certificate of Incorporation of Affimed Spinco Inc.); and

(c) all proceeds of the foregoing.

2. *Secured Obligations.* The obligations secured hereby (the "***Obligations***") are all present and future obligations of the Grantor under the Agreement including the principal of, premium (if any) and interest on loans made pursuant thereto and any extension, renewal or refinancing thereof.

3. *Remedies*. During the continuance of an Event of Default under the Agreement, the Secured Party may exercise all remedies available under the Uniform Commercial Code as in effect from time to time in the state of New York or other applicable law with respect to the Collateral.

4. *Financing Statements; Further Assurances.* The Grantor hereby authorizes the Secured Party to file any financing statement or similar record in any filing office the Secured Party deems appropriate, such record to be in such form as the Secured Party deems appropriate. The Grantor will do all such further things and execute such further documents as the Secured Party may reasonably request to confirm, perfect or validate the foregoing grant of security or to enable the Secured Party to protect and enforce the same.

5. *Governing Law.* This agreement shall be governed by and construed in accordance with the laws of the State of New York.

6. *Finance Document*. This Security Agreement is a Finance Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Sections 11 and 12 thereof.

7. *Binding on Successors, Transferees and Assigns; Assignment*. This Security Agreement shall remain in full force and effect until the Obligations have been paid in full, shall be binding upon the Grantor and its successors, transferees and assigns and shall inure to the benefit of and be enforceable by the Secured Party and its successors, transferees and assigns; *provided* that the Grantor will not (unless otherwise permitted under the terms of the Loan Agreement or this Security Agreement) assign any of its obligations hereunder without the prior written consent of the Secured Party.

8. *Amendments, etc*. No amendment to or waiver of any provision of this Security Agreement, nor consent to any departure by the Grantor from its obligations under this Security Agreement, shall in any event be effective unless the same shall be in writing and signed by the Secured Party and the Grantor and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

9. *Notices*. All notices and other communications provided for hereunder shall be in writing or by facsimile and addressed, delivered or transmitted to the appropriate party at the address or facsimile number of such party specified in the Loan Agreement or at such other address or facsimile number as may be designated by such party in a notice to the other party. Any notice or other communication, if mailed and properly addressed with postage prepaid or if properly addressed and sent by pre-paid courier service, shall be deemed given when received; any such notice or other communication, if transmitted by facsimile, shall be deemed given when transmitted and electronically confirmed.

10. *Release of Liens*. Upon payment in full of the Obligations and the terrmination of the Commitments, the security interests granted herein shall automatically terminate with respect. Upon such termination, the Secured Party will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all Collateral held by the Secured Party hereunder, and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

11. *No Waiver; Remedies*. No failure on the part of the Secured Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

12. *Headings*. The various headings of this Security Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Security Agreement or any provisions thereof.

13. *Severability*. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such provision and such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Security Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

14. *Governing Law, Entire Agreement, etc*. THIS SECURITY AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICT OF LAWS PROVISIONS THEREOF), EXCEPT TO THE EXTENT THAT THE PERFECTION, EFFECT OF PERFECTION OR NONPERFECTION, AND PRIORITY OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK. This Security Agreement and the other Finance Documents constitute the entire understanding among the parties hereto with respect to the subject matter hereof and thereof and supersede any prior agreements, written or oral, with respect thereto.

15. *Counterparts*. This Security Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. Delivery of an executed counterpart of a signature page to this Security Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Security Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be duly executed and delivered by its Authorized Officer as of the date first above written.

AFFIMED THERAPEUTICS AG

By: _____
Title:

PCOF 1, LLC

By: _____
Title:

SCHEDULE 21

Advocaten
Notarissen
Belastingadviseurs

Claude Debussylaan 80
P.O. Box 75084
1070 AB Amsterdam

T +31 20 577 1771
F +31 20 577 1775

To PCOF, 1 LLC, as Lender under the Facility Agreement
(as both defined below)

Date [—] 2014

Our ref. M21149759/1/20599951/tmf

M. Stoffer
Advocaat

DRAFT 23 JULY 2014; SUBJECT TO REVIEW OF DOCUMENTS AND PARTNER'S APPROVAL

Dear Sir/Madam,

Affimed Therapeutics B.V. (the "Company")

Accession by the Company to a USD [14,000,000] Term Facility Agreement dated [—] 2014 between Affimed Therapeutics AG, as borrower, and PCOF,1 LLC, as lender (the "Facility Agreement")

[Drafting note De Brauw: for this draft we have assumed that:

(i) we will receive fully executed copies of the Facility Agreement and Accession Letter before issuance of our signed legal opinion;

(ii) the signed Accession Letter will clearly state the name and title of the signatory on behalf of the Company;

(iii) the opinion will be issued while the Company is still a B.V. (so not yet a N.V.) but has already installed a supervisory board.

Please let us know if any of this will not be the case.]

1 Introduction

I act as Dutch legal adviser (advocaat) to the Company in connection with the Facility Agreement. I am instructed solely by CMS, legal advisers to the Company.

Certain terms used in this opinion are defined in the **Annex** (*Definitions*).

2 Dutch Law

This opinion is limited to Dutch law in effect on the date of this opinion. It (including all terms used in it) is to be construed in accordance with Dutch law.

3 Scope of Inquiry

For the purpose of this opinion, I have examined the following documents:

3.1 A copy of the Accession Letter signed by the Company.

3.2 A copy of the Facility Agreement.

3.3 A copy of:

(a) the Company's deed of incorporation and its articles of association, as provided by the Chamber of Commerce (*Kamer van Koophandel*); and

(b) the Trade Register Extract.

3.4 A copy of each Corporate Resolution.

In addition, I have obtained the following confirmations on the date of this opinion:

3.5 Confirmation by telephone from the Chamber of Commerce that the Trade Register Extract is up to date.

3.6

(a) Confirmation by telephone from the court registry of the District Court of the place where the Company has its corporate seat, derived from that Court's Insolvency Register; and

(b) confirmation through www.rechtspraak.nl, derived from the segment for EU registrations of the Central Insolvency Register;

in each case that the Company is not registered as being subject to Insolvency Proceedings.

I have not examined any document, and do not express an opinion on, or on any reference to, any document other than the documents referred to in this paragraph 3. My examination has been limited to the text of the documents and I have not investigated the meaning and effect of any document governed by a law other than Dutch law under that other law.

4 Assumptions

For the purpose of this opinion, I have made the following assumptions:

4.1

(a) Each copy document conforms to the original and each original is genuine and complete.

(b) Each signature is the genuine signature of the individual concerned.

(c) Each confirmation referred to in this opinion is true.

4.2

(a) Each Corporate Resolution has been validly passed and remains in full force and effect without modification.

(b) There is no works council whose advice on the Company's entry into of the Facility Agreement must be sought pursuant to the Works Councils Act (*Wet op de ondernemingsraden*).

4.3 The Facility Agreement is within the capacity and powers of, and has been validly authorised and entered into by, each party other than the Company.

4.4 Under German law by which the Facility Agreement is expressed to be governed:

(a) when validly signed by all the parties, the Facility Agreement is valid, binding on and enforceable against each party; and

(b) the choice of German law as the governing law of the Facility Agreement applies to the submission to the jurisdiction of the courts in Frankfurt am Main, Germany, pursuant to the Jurisdiction Clause.

5 Opinion

Based on the documents and confirmations referred to and the assumptions made in paragraphs 3 and 4 and subject to the qualifications in paragraph 6 and to any matters not disclosed to me, I am of the following opinion:

5.1 The Company has been incorporated and exists as a private company with limited liability (b*esloten vennootschap met beperkte aansprakelijkheid*).

5.2

(a) The Company has the corporate power to enter into and perform the Facility Agreement.

(b) The Company has taken all necessary corporate action to authorise its entry into and performance of the Facility Agreement.

(c) The Company has validly signed the Facility Agreement.

5.3

(a) The Company does not require any licence, dispensation, recognition or other governmental consent for its entry into and performance of the Facility Agreement.

(b) There are no registration, filing or similar governmental formalities required to ensure the validity, binding effect on and enforceability against the Company of the Facility Agreement.

5.4 The entry into and performance of the Facility Agreement by the Company do not violate Dutch law or the Company's articles of association.

5.5 The choice of German law as the governing law of the Facility Agreement is recognised and accordingly that law governs the validity, binding effect on and enforceability against the Company of the Facility Agreement.

5.6

(a) In proceedings in a court in Frankfurt am Main, Germany, according and subject to the Brussels I Regulation, German law determines the validity, binding effect on and enforceability against the Company of the Jurisdiction Clause.

(b) A judgment for the payment of money rendered by a court in Frankfurt am Main, Germany, will be recognised and enforced in the Netherlands without review of its merits, according and subject to the applicable Enforcement Regulation.

6 Qualifications

This opinion is subject to the following qualifications:

6.1 This opinion is subject to any limitations arising from bankruptcy, suspension of payments, emergency measures, (other) Insolvency Proceedings or other laws relating to or affecting the rights of creditors.

6.2 The recognition of German law as the governing law of the Facility Agreement:

(a)

(i) will not restrict the application of the overriding provisions of Dutch law; and

(ii) will not prevent effect being given to the overriding provisions of the law of a jurisdiction with which the situation has a close connection;

(and for this purpose "overriding provisions" are provisions the respect for which is regarded as crucial by a jurisdiction for safeguarding its public interests to such an extent that they are applicable to any situation falling within their scope, irrespective of the law otherwise applicable to an agreement);

(b) will not prevent the application of German law being refused if it is manifestly incompatible with Dutch public policy (*ordre public*); and

(c) will not prevent regard having to be had to the law of the jurisdiction in which performance takes place in relation to the manner of performance and the steps to be taken in the event of defective performance.

6.3 The enforcement in the Netherlands of the Facility Agreement and of foreign judgments is subject to Dutch rules of civil procedure.

6.4 The enforceability of the Facility Agreement may be limited under the Sanction Act 1977 (*Sanctiewet 1977*) or otherwise by international sanctions.

6.5 To the extent that pursuant to the Facility Agreement the Company is required or forbidden to take, or restricted in taking, any action that falls within the powers of its general meeting of shareholders, it may not be binding on and enforceable against it.

6.6 Any trust to which the 1985 Convention on the Law applicable to Trusts and their Recognition (the "**Trust Convention**") applies, will be recognised subject to the Trust Convention. Any trust to which the Trust Convention does not apply may not be recognised.

6.7 To the extent that Dutch law applies, a power of attorney can be made irrevocable only (i) insofar as it has been granted for the purpose of performing a legal act in the interest of the authorised person or a third party, and (ii) subject to any amendments made or limitations imposed by the courts on serious grounds (*gewichtige redenen*).

6.8 In proceedings in a Dutch court for the enforcement of the Facility Agreement, the court may mitigate amounts due in respect of litigation and collection costs.

6.9 To the extent that Dutch law applies, a legal act (*rechtshandeling*) performed by a person (including (without limitation) an agreement pursuant to which it guarantees the performance of another person's obligations and any other legal act having a similar effect) may be nullified by any of its creditors, if (a) it performed the act without an obligation to do so (*onverplicht*), (b) the creditor concerned was prejudiced as a consequence of the act, and (c) at the time the act was performed both it and (unless the act was for no consideration (*om niet*)) the party with or towards which it acted, knew or should have known that one or more of its creditors (existing or future) would be prejudiced.

6.10 If a legal act (*rechtshandeling*) performed by a Dutch legal entity (including (without limitation) an agreement pursuant to which it guarantees the performance of another person's obligations and any other legal act having a similar effect) is not in the entity's interest, the act may (i) exceed the entity's corporate or other power, (ii) violate its articles of association, and (iii) be nullified by it if the other party or parties to the act knew or should have known without investigation that the act is not in the entity's interest.

6.11

(a) An extract from the Trade Register does not provide conclusive evidence that the facts set out in it are correct. However, under the 2007 Trade Register Act (*Handelsregisterwet 2007*), subject to limited exceptions, a legal entity or partnership cannot invoke the incorrectness or incompleteness of its Trade Register registration against third parties who were unaware of the incorrectness or incompleteness.

(b) A confirmation derived from an Insolvency Register does not provide conclusive evidence that an entity is not subject to Insolvency Proceedings.

6.12 I do not express any opinion on:

(a) the validity of any assignment or transfer pursuant to Section [9] (*Changes to Parties*) of the Facility Agreement;

(b) any choice of law made in respect of any non-contractual obligations; or

(c) any taxation matters.

7 Reliance

7.1 This opinion is addressed to and may be relied upon by the Lender for the purpose of the Facility Agreement and not by any other person or for any other purpose.

7.2 In relying on this opinion, the Lender agrees that:

(a) (except as set out in paragraph 7.3) it shall not supply this opinion, or disclose its contents or existence, to any person for any purpose; and

(b) only De Brauw shall have any liability in connection with this opinion, the agreement in this paragraph 7.2 and all liability and other matters relating to this opinion shall be governed exclusively by Dutch law and the Dutch courts shall have exclusive jurisdiction to settle any dispute relating to this opinion.

7.3 The Lender may supply a copy of this opinion:

(a) to any entity which acquires or may potentially acquire from it any rights and obligations under the Facility Agreement in accordance with the Facility Agreement within 6 months after the date of the Facility Agreement;

(b) to its legal advisers on a need-to-know basis;

(c) to the extent required by law (including by legally binding regulation or by a binding order of a competent court or governmental authority) or to establish a defence in any proceeding before a competent court or governmental authority provided that the Lender:

(i) to the extent permitted by law, has notified De Brauw as soon as reasonably possible that it believes that it may be required or necessary for it by law or necessary for it to establish a defence to disclose (or, if prior notification is not permitted by law or has not reasonably been possible, that it has disclosed) this opinion; and

(ii) in the case of disclosure required by law, upon De Brauw's request, reasonably demonstrates that such disclosure is required by law; and

but, in each case, solely for information purposes (and not to be relied upon) and subject to the restrictions set out in paragraph 7.2.

Yours faithfully,
De Brauw Blackstone Westbroek N.V.

Menno Stoffer

Annex – Definitions

Part 1 - General

In this opinion:

"**Accession Letter**" means the accession letter dated [—] 2014 from the Company and Affimed Therapeutics AG to the Lender relating to the Facility Agreement.

"**Brussels I Regulation**" means Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2001, L 012, 1).

"**CMS**" means CMS Hasche Sigle Partnerschaft von Rechtsanwälten und Steuerberatern mbB.

"**Company**" is defined in part 2 (*Company*) of this Annex.

"**Corporate Resolution**" is defined in part 2 *(Company*) of this Annex.

"**De Brauw**" means De Brauw Blackstone Westbroek N.V.

"**Dutch law**" means the law directly applicable in the Netherlands.

"**Enforcement Regulation**" means each of:

(a) the Brussels I Regulation;

(b) Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims;

(c) Regulation (EC) No 1896/2006 of the European Parliament and of the Council of 12 December 2006 creating a European order for payment procedure;

(d) Regulation (EC) No 861/2007 of the European Parliament and of the Council of 11 July 2007 establishing a European Small Claims Procedure.

"**Facility Agreement**" means the USD [14,000,000] Term Facility Agreement dated [—] 2014 entered into between Affimed Therapeutics AG, as borrower, and PCOF,1 LLC, as lender, and includes, where the context permits:

(i) the Accession Letter; and

(ii) the Jurisdiction Clause.

"**Insolvency Proceedings**" means insolvency proceedings as defined in Article 2(a) of Council Regulation (EC) No 1346/2000 of 29 May 2000 on insolvency proceedings.

"**Jurisdiction Clause**" means Clause [33] of the Facility Agreement.

"**Lender**" means PCOF, 1 LLC.

"**the Netherlands**" means the part of the Kingdom of the Netherlands located in Europe.

"**Trade Register Extract**" is defined in part 2 (*Company*) of this Annex.

Part 2 - Company

In this opinion:

"**Company**" means Affimed Therapeutics B.V., with corporate seat in Amsterdam.

"**Corporate Resolution**" means each of:

(a) a written resolution of the Company's managing board (*bestuur*) dated 17 July 2014;

(b) a written resolution of the Company's supervisory board (*raad van commissarissen*) dated [—] 2014; and

(c) a written resolution of the Company's stated sole shareholder Stichting Affimed Therapeutics dated 17 July 2014.

"**Trade Register Extract**" means a Trade Register extract relating to the Company provided by the Chamber of Commerce and dated [—] 2014.

CMS Hasche Sigle
Partnerschaft von Rechtsanwälten und Steuerberatern mbB

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[—] 2014

Affimed Therapeutics AG – German Legal Opinion re German Warrant Bond

Dear Sir/Madam

We are acting as German legal advisors to Affimed Therapeutics AG, a private company with limited liability organized under the laws of the Federal Republic of Germany (the "**Borrower**") as to the laws of the Federal Republic of Germany ("**Germany**") in connection with a credit facility (the "**Credit Facility**") to be provided by you to the Borrower under the Term Facility Agreement dated [—] and entered into between the Borrower and PCOF 1, LLC (the "**Facility Agreement**"; the Facility Agreement together with the security agreements entered into in connection with the Facility Agreement, with the exception of any security agreements that are not governed by German law, the "**Loan Documents**").

This opinion is delivered to you pursuant to Part 2 clause B.5.(i) of Schedule 1 to the Facility Agreement in connection with Schedule 22 to the Facility Agreement.

I. Documents reviewed

In the above-mentioned capacity we have, in particular, examined copies of the following documents (together, the "**Opinion Documents**"):

1. A copy of the articles of association of the Company in its most current version as of [—] (the "**Articles of Association**");

2. A copy of an electronic excerpt from the commercial register (*Handelsregister*) (the "**Commercial Register Extract**") concerning the Company registered under docket number 336535 at the local court (*Amtsgericht*) of Mannheim, Germany (the "**Commercial Register**") dated [—];

3. A copy of the executed Loan Documents, including the Facility Agreement;

4. A copy of the notarized minutes of the general meeting of the Borrower dated [—] in which the general meeting resolved on (i) the authorization to issue the "warrant bond" (the "**Warrant Bond**"), consisting of a bond component (the "**Bond**") and a component comprising the "German Warrants" as defined in the Facility Agreement(these warrants: the "**German Warrants**"), both components as described in [Schedule 8 to the Facility Agreement] and (ii) the creation of a contingent capital covering the exercise of the German Warrants (both resolution: the "**General Meeting Resolutions**");A copy of the executed subscription agreement *(Zeichnungsvertrag*) between the Borrower and the PCOF 1, LLC regarding the Warrant Bond dated [—] ("**Subscription Agreement**");

5. A copy of the executed permanent global note certificate representing the Bond ("**Bond Global Note**"), dated [—], with the terms and conditions attached to it.

6. A copy of the executed permanent global note certificate representing the German Warrants ("**Warrant Global Note**"; Bond Global Note and Warrant Global Note together the "**Global Notes**"), dated [—], with the terms and conditions attached to it.

7. A copy of the minutes of the management board resolution dated [—] with which the management board of the Borrower resolved to execute the Subscription Agreement and issue the Warrant Bond (the "**Management Board Resolution**");

8. A copy of the minutes of the supervisory board resolution dated [—] with which the supervisory board of the Borrower resolved on the approval of the execution of the Subscription Agreement and issuance of the Warrant Bond.

II. Assumptions

In considering the Opinion Documents for the purposes of this Legal Opinion, we have assumed with your consent and without any further verification that

- all Opinion Documents submitted to us as originals are authentic;
- all signatures on all documents which we have examined are genuine;
- all Opinion Documents provided to us as copies are identical to their respective originals;
- all Opinion Documents which were only provided as drafts were or will be signed in the same form;
- all Opinion Documents were validly signed, authorised, executed and delivered by the natural persons and legal entities (other than the Company) named as parties therein and that their validity and enforceability is not affected by any laws other than German law;
- the Commercial Register Extract is complete, accurate and reflects all matters which can be registered in such register and no application for an entry has been made, no entry has been made and no resolution has been passed to apply for an entry therein which is not reflected in the Commercial Register Extract from the date of the Commercial Register Extract until the date hereof;
- the Articles of Association is in its most current form and there are no side agreements thereto;
- all Opinion Documents were, in comparison to the version presented to us, complete, not revoked, supplemented or amended in any other way (including by side-letters) without our being informed prior to issue of this Legal Opinion;
- the Company maintains its registered offices in Heidelberg which is the place from which the Company is in fact administered and where all Company related decisions are taken (*tatsächlicher Verwaltungssitz*) as well as its effective place of management (*tatsächliche Geschäftsleitung*).

III. Legal Opinion

On the basis of our review of the Opinion Documents and subject to the assumptions and qualifications set forth above and below, we are of the opinion as of today's date that:

1. The Borrower is a German stock corporation duly organized and validly existing under the laws of Germany, and has the corporate power and authority to execute and deliver, and to perform and observe the provisions of, the Global Notes and the Subscription Agreement.

2. The Subscription Agreement and the Global Notes have been duly authorized by all necessary corporate action under German law on the part of the Borrower, and the Warrant Bond has been validly issued under German law.

3. The Warrant Global Note, when duly issued and executed by the Borrower and duly authenticated and delivered, and subject to the full payment of the issue price, constitutes (*verbrieft*) legal, valid and binding obligations of the Borrower, that are enforceable in accordance with the terms and conditions as attached to the Warrant Global Note.

4. The issuance of the Warrant Bond will not result in any violation of the Articles of Association or Bylaws or any material German law applicable to the Borrower.

IV. Qualifications

This Legal Opinion is subject to the following qualifications:

a) Where under the provisions of any document presented to us any party is vested with discretion or may determine a matter in his opinion, German law may require that such discretion be exercised reasonably or that such opinion be based on reasonable grounds. Provisions which purport that any determination, certificate or statement of account made or given by any party is to be final, conclusive or binding may not be enforced and will not prevent judicial enquiry into the merits of the matter and the basis of which such determination, certificate or statement of account is made.

b) Although German law, in general, recognizes the concept of irrevocability, a German court may limit the scope of this concept by applying restrictions for cause (wichtige Gründe), such as material changes in the underlying situation of the respective concerned party entitling it to withdraw a right irrevocably granted, or to challenge a notice or other expression of an intention or instruction which was stated to be irrevocable.

We are providing you with this letter solely in your capacity as “Lender” under the Facility Agreement. This letter is solely for your benefit in connection with the Credit Facility. Other than for this designated purpose this communication may not be used, forwarded to third parties

or quoted without our consent, nor may you refer to this document when communicating with third parties except that it may be referenced in the Credit Facility and you may quote, use and refer to the letter in any legal proceeding related to the Credit Facility to which you are a party. Under no circumstances do we assume any liability whatsoever vis-à-vis third parties in connection with this letter, irrespective of legal reason and jurisdiction.

The statements which we make in this letter apply exclusively with effect as of today's date and are given solely on the basis of prevailing German law on this date and we do not comment on any future changes to the issues addressed in this letter.

This Legal Opinion is subject to German law.

Yours faithfully

CMS Hasche Sigle Partnerschaft von Rechtsanwälten und Steuerberatern mbB

SCHEDULE 23

Permitted Payments to Restricted Persons

The following list of recipients shall be allowed to receive payments in the stated volume per annum.

Compensation to the management board:

Dr. Adi Höss currently consulting agreement	328,120.00 €
Dr. Florian Fischer currently consulting agreement	282,150.00 €
Dr. Jens-Peter Marschner currently employment contract	297,000.00 €
further member (CSO) of the management board if hired	300,000.00 € estimated CSO Compensation

Compensation to advisors:

Dr. Uli Grau	240,000.00 €

Compensation to Supervisory Board members
(Remuneration policy is not yet finalized)

Thomas Hecht Consulting Agreement with Hecht Healthcare Consulting	65,000.00 €
Richard B. Stead Consulting Agreement with BioPharma Consulting Services	40,000.00 €
Ferdinand Verdunck Might be organized with a consulting agreement	50,000.00 € (estimation)
Bernd Modig Might be organized with a consulting agreement	50,000.00 € (estimation)

SCHEDULE 24

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of July 24, 2014 (as amended or otherwise modified from time to time, this "IP Security Agreement"), is made by Affimed Therapeutics AG, a German stock corporation (the "Grantor"), in favor of PCOF 1, LLC, a Delaware limited liability company, as the secured party (together with its transferees, successors and assigns, collectively, the "Secured Party").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Term Facility Agreement, dated as of July 24, 2014, by and between the Grantor, as borrower, and the Secured Party, as lender (as amended or otherwise modified from time to time, the "Loan Agreement"), the Secured Party has agreed to make available certain Loans to the Grantor, on the terms and subject to the conditions contained therein; and

WHEREAS, as one of the conditions precedent to the making of the Loans under the Loan Agreement, the Grantor is required to execute and deliver this IP Security Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of the Secured Party, as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1. Certain Terms. The following terms (whether or not underscored) when used in this IP Security Agreement, including its preamble and recitals, shall have the following meanings (such definitions to be equally applicable to the singular and plural forms thereof):

"Cash Proceeds" has the meaning provided in Article 9 of the UCC.

"Computer Hardware and Software Collateral" means:

(a) all computer and other electronic data processing hardware, integrated computer systems, central processing units, memory units, display terminals, printers, features, computer elements, card readers, tape drives, hard and soft disk drives, cables, electrical supply hardware, generators, power equalizers, accessories and all peripheral devices and other related computer hardware, including all operating system software, utilities and application programs in whatsoever form;

(b) all software programs (including both source code, object code and all related applications and data files), designed for use on the computers and electronic data processing hardware described in clause (a) above;

(c) all firmware associated therewith;

(d) all documentation (including flow charts, logic diagrams, manuals, guides, specifications, training materials, charts and pseudo codes) with respect to such hardware, software and firmware described in the preceding clauses (a) through (c); and

(e) all rights with respect to all of the foregoing, including copyrights, licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvement rights, renewal rights and indemnifications and any substitutions, replacements, improvements, error corrections, updates, additions or model conversions of any of the foregoing.

"Copyright Collateral" means all copyrights of the Grantor, registered or unregistered and whether published or unpublished, now or hereafter in force throughout the world including all of the Grantor's rights, titles and interests in and to all copyrights registered in the United States Copyright Office and also including the copyrights referred to in Item A of Schedule IV, and registrations and recordings thereof and all applications for registration thereof, whether pending or in preparation, all copyright licenses, including each copyright license referred to in Item B of Schedule IV, the right to sue for past, present and future infringements of any of the foregoing, all rights corresponding thereto, all extensions and renewals of any thereof and all Proceeds of the foregoing, including licenses, royalties, income, payments, claims, damages and Proceeds of suit, which are owned or licensed by the Grantor.

"Excluded Intellectual Property Collateral" is defined in Section 2.2.

"Governmental Authority" means the government of the United States of America or any other nation, any federal, state, city, town, municipal, county, local government or the government of any other political subdivision thereof and any department, commission, board, bureau, instrumentality, agency, court or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, in each case whether associated with a state of the United States of America, the United States of America or a foreign entity or government.

"Grantor" is defined in the preamble.

"Intellectual Property Collateral" means, collectively, the Computer Hardware and Software Collateral, the Copyright Collateral, the Patent Collateral, the Trademark Collateral and the Trade Secrets Collateral (other than the Excluded Intellectual Property Collateral), and all Proceeds, including Cash Proceeds and Non-Cash Proceeds, and products of any and all of the foregoing Intellectual Property Collateral.

"IP Security Agreement" is defined in the preamble.

"Loan Agreement" is defined in the first recital.

"Non-Cash Proceeds" has the meaning provided in Article 9 of the UCC.

"Obligations" means all (i) obligations of the Borrower and the other Obligors from time to time arising under this IP Security Agreement, the Loan Agreement, any other Finance Document or otherwise with respect to the due and prompt payment of (A) the principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding ("Postpetition Interest")) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (B) all other monetary obligations, including fees, costs, attorneys' fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Borrower and the other Obligors under or in respect of any Finance Document and (ii) the due and prompt performance of all other covenants, duties, debts, obligations and liabilities of any kind of the Borrower and the other Obligors, individually or collectively, under or in respect of this IP Security Agreement, the Loan Agreement or any of the other Finance Documents or any other document made, delivered or given in connection with any of the foregoing, in each case whether evidenced by a note or other writing, whether allowed in any bankruptcy, insolvency, receivership or other similar proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise.

"Patent Collateral" means:

(a) inventions and discoveries, whether patentable or not, all letters patent and applications for letters patent in the United States of America, including all patent applications in preparation for filing and each patent and patent application referred to in Item A of Schedule II;

(b) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in clause (a);

(c) all patent licenses, and other agreements providing the Grantor with the right to use any items of the type referred to in clauses (a) and (b) above, including each patent license referred to in Item B of Schedule II; and

(d) all Proceeds of, and rights associated with, the foregoing (including licenses, royalties income, payments, claims, damages and Proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, and for breach or enforcement of any patent license.

"Proceeds" has the meaning provided in Article 9 of the UCC.

"Termination Date" means the date on which all Obligations have been paid in full in cash and all Commitments shall have terminated.

"Trademark Collateral" means:

(a) (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, and all goodwill of the business associated therewith, now existing or hereafter adopted or acquired including those referred to in Item A of Schedule III, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America, or any State thereof or any other country or political subdivision thereof or otherwise, and all common-law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing (collectively referred to as the "Trademark");

(b) all trademark licenses for the grant by or to the Grantor of any right to use any trademark, including each trademark license referred to in Item B of Schedule III;

(c) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clause (a), and to the extent applicable clause (b);

(d) the right to sue third parties for past, present and future infringements of any Trademark Collateral described in clause (a) and, to the extent applicable, clause (b); and

(e) all Proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license and all rights corresponding thereto throughout the world.

"Trade Secrets Collateral" means all common law and statutory trade secrets and all other confidential, proprietary or useful information and all know-how obtained by or used in or contemplated at any time for use in the business of a Grantor (all of the foregoing being collectively called a "Trade Secret"), whether or not such Trade Secret has been reduced to a writing or other tangible form, including all Documents and things embodying, incorporating or referring in any way to such Trade Secret, all Trade Secret licenses, including each Trade Secret license referred to in Schedule V, and including the right to sue for and to enjoin and to collect damages for the actual or threatened misappropriation of any Trade Secret and for the breach or enforcement of any such Trade Secret license.

"UCC" means the Uniform Commercial Code, as in effect from time to time in the State of New York.

SECTION 1.2. Loan Agreement Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this IP Security Agreement, including its preamble and recitals, have the meanings provided in the Loan Agreement.

ARTICLE II
SECURITY INTEREST

SECTION 2.1. Grant of Security Interest. The Grantor hereby grants to the Secured Party a continuing security interest in all of the Grantor's right, title, and interest in and to the Intellectual Property Collateral.

SECTION 2.2. Excluded Intellectual Property Collateral. There shall be excluded from the security created by Section 2.1 above and from the other provisions of this IP Security Agreement the following (the "Excluded Intellectual Property Collateral"):

(a) any Intellectual Property Collateral which the Grantor is prohibited from creating security on or over by reason of any contract, lease, license or other arrangement with a third party (including any Intellectual Property Collateral which the Grantor is precluded from creating security on or over without the prior consent of a third party) until the relevant condition or waiver has been satisfied or obtained;

(b) any Intellectual Property Collateral which, if subject to any such security, would give a third party (other than an entity that is part of the Group) an enforceable right to terminate its obligations by reason of any contract, lease, license or other arrangement; provided that:

i. all Proceeds paid or payable to the Grantor from any sale, transfer or assignment of such license or other agreement and all rights to receive such Proceeds shall be included in the security created under Section 2.1 and shall not constitute Excluded Intellectual Property Collateral;

ii. in the case of any such Intellectual Property Collateral acquired by the Grantor after the date of this IP Security Agreement that is material to the conduct of the business of the Grantor or with respect to which a contravention or other violation caused or arising by its inclusion as security created under Section 2.1

could reasonably be expected to materially adversely effect such Intellectual Property Collateral, such Intellectual Property Collateral shall be excluded from the security created under Section 2.1, so long as (but only so long as):

A. the Grantor shall have used, or shall be diligently using, commercially reasonable and good faith efforts to obtain all requisite consents or approvals by the other party to such license or other agreement to permit the Grantor to grant to the Security Party (or any designee of the Secured Party) a continuing security interest in all of the Grantor's right, title, and interest in and to such Intellectual Property Collateral; and

B. the Grantor shall have given prompt written notice to the Secured Party upon any failure to obtain such consent or approval.

(c) any Intellectual Property Collateral which is listed on Schedule I attached hereto.

SECTION 2.3. Security for Obligations. This IP Security Agreement and the Intellectual Property Collateral in which the Secured Party is granted a security interest hereunder by the Grantor secure the payment and performance of all of the Obligations.

SECTION 2.4. Grantor Remains Liable. Anything herein to the contrary notwithstanding:

(a) the Grantor will remain liable under the contracts and agreements included in the Intellectual Property Collateral to the extent set forth therein, and will perform all of their duties and obligations under such contracts and agreements to the same extent as if this IP Security Agreement had not been executed;

(b) the exercise by the Secured Party of any of its rights hereunder will not release the Grantor from any of its duties or obligations under any such contracts or agreements included in the Intellectual Property Collateral; and

(c) the Secured Party will not have any obligation or liability under any contracts or agreements included in the Intellectual Property Collateral by reason of this IP Security Agreement, nor will the Secured Party be obligated to perform any of the obligations or duties of the Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 2.5. Security Interest Absolute, etc. This IP Security Agreement shall in all respects be a continuing, absolute, unconditional and irrevocable grant of security interest, and shall remain in full force and effect until the Termination Date. All rights of the Secured Party and the security interests granted to the Secured Party (for its benefit) hereunder, and all obligations of the Grantor hereunder, shall, in each case, be absolute, unconditional and irrevocable irrespective of:

(a) any lack of validity, legality or enforceability of any Finance Document;

(b) the failure of the Secured Party (i) to assert any claim or demand or to enforce any right or remedy against any Obligor or any other Person (including any other Grantor) under the provisions of any Finance Document or otherwise, or (ii) to exercise any right or remedy against any guarantor of, or Intellectual Property Collateral or other collateral securing, any Obligations;

(c) any change in the time, manner or place of payment of, or in any other term of, all or any part of the Obligations, or any other extension, compromise or renewal of any Obligations;

(d) any reduction, limitation, impairment or termination of any Obligations for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and the Grantor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, nongenuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Obligations or otherwise;

(e) any amendment to, rescission, waiver, or other modification of, or any consent to or departure from, any of the terms of any Finance Document;

(f) any addition, exchange or release of any Intellectual Property Collateral or of any Person that is (or will become) a guarantor of, or a grantor of any security interest in favor of the Secured Party securing, the Obligations, or any surrender or non-perfection of any Intellectual Property Collateral or other collateral securing any of the Obligations, or any amendment to or waiver or release or addition to, or consent to or departure from, any other guaranty held by the Secured Party securing any of the Obligations; or

(g) any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of, any Obligor, any surety or any guarantor.

SECTION 2.6. Postponement of Subrogation. The Grantor agrees that it will not exercise any rights against any guarantor of, or grantor of any security interest in favor of the Secured Party securing, the Obligations that the Grantor may acquire by way of rights of subrogation under any Finance Document to which it is a party. The Grantor will not seek or be entitled to seek any contribution or reimbursement from any Obligor, in respect of any payment made under any Finance Document or otherwise, until following the Termination Date. Any amount paid to the Grantor on account of any such subrogation rights prior to the Termination Date shall be held in trust for the benefit of the Secured Party and shall immediately be paid and turned over to the Secured Party in the exact form received by the Grantor (duly endorsed in favor of the Secured Party, if required), to be credited and applied against the Obligations, whether matured or unmatured, in accordance with Section 6.1; provided that if the Grantor has made payment to the Secured Party of all or any part of the Obligations and the Termination Date has occurred, then at the Grantor's request, the Secured Party will, at the expense of the Grantor, execute and deliver to the Grantor appropriate documents (without recourse and without representation or warranty) necessary to evidence the transfer by subrogation to the Grantor of an interest in the Obligations resulting from such payment. In furtherance of the foregoing, at all times prior to the Termination Date, the Grantor shall refrain from taking any action or commencing any proceeding against any Obligor (or its successors or assigns, whether in connection with a bankruptcy proceeding or otherwise) to recover any amounts in respect of payments made under this IP Security Agreement to the Secured Party.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

In order to induce the Secured Party to enter into the Loan Agreement and make available any Loans thereunder, the Grantor represents and warrants to the Secured Party as set forth below.

SECTION 3.1. Intellectual Property Collateral. Except as disclosed on Schedules I through III, with respect to any Intellectual Property Collateral:

(a) such Intellectual Property Collateral is valid, subsisting, unexpired and enforceable and has not been abandoned or adjudged invalid or unenforceable, in whole or in part except as could not be expected to have a Material Adverse Effect;

(b) the Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to such Intellectual Property Collateral and no claim has been made that the use of such Intellectual Property Collateral does or may, conflict with, infringe, misappropriate, dilute, misuse or otherwise violate any of the rights of any third party;

(c) the Grantor has made all necessary filings and recordations to protect its interest in such Intellectual Property Collateral, including recordations of all of its interests in the Patent Collateral and Trademark Collateral in the United States Patent and Trademark Office, and its claims to the Copyright Collateral in the United States Copyright Office, and, to the extent necessary, has used proper statutory notice in connection with its use of any material patent, Trademark and copyright in any of the Intellectual Property Collateral;

(d) the Grantor has taken all reasonable steps to safeguard its Trade Secrets and to its knowledge (A) none of the Trade Secrets of the Grantor has been used, divulged, disclosed or appropriated for the benefit of any other Person other than the Grantor; (B) no employee, independent contractor or agent of the Grantor has misappropriated any Trade Secrets of any other Person in the course of the performance of his or her duties as an employee, independent contractor or agent of the Grantor; and (C) no employee, independent contractor or agent of the Grantor is in default or breach of any term of any employment agreement, non-disclosure agreement, assignment of inventions agreement or similar agreement or contract relating in any way to the protection, ownership, development, use or transfer of the Grantor's Intellectual Property Collateral;

(e) to the Grantor's knowledge, no third party is infringing upon any Intellectual Property owned or used by the Grantor in any material respect, or any of its respective licensees;

(f) no settlement or consents, covenants not to sue, nonassertion assurances, or releases have been entered into by the Grantor or to which the Grantor is bound that adversely affects its rights to own or use any Intellectual Property Collateral except as would not have a Material Adverse Effect;

(g) the Grantor has not made a previous assignment, sale, transfer or agreement constituting a present or future assignment, sale or transfer of any Intellectual Property Collateral for purposes of granting a security interest or as Intellectual Property Collateral that has not been terminated or released;

(h) the Grantor has executed and delivered to the Secured Party, Intellectual Property Collateral security agreements for all copyrights, patents, Trademarks and other Intellectual Property Collateral owned by the Grantor, including all copyrights, patents and trademarks on Schedules I through III (as such schedules may be amended or supplemented from time to time);

(i) the Grantor uses adequate standards of quality in the manufacture, distribution, and sale of all products sold and in the provision of all services rendered under or in connection with all Trademarks and has taken all commercially reasonable action necessary to insure that all licensees of the Trademarks owned by the Grantor use such adequate standards of quality;

(j) the consummation of the transactions contemplated by the Loan Agreement and this IP Security Agreement will not result in the termination or material impairment of any of the Intellectual Property Collateral; and

(k) the Grantor owns directly or is entitled to use by license or otherwise, all Patents, Trademarks, Trade Secrets, Copyrights, mask works, licenses, technology, know-how, processes and rights with respect to any of the foregoing used in, necessary for or of importance to the conduct of the Grantor's business.

SECTION 3.2. Grantor Name, Location, etc.

(a) The jurisdiction in which the Grantor is located for purposes of Sections 9-301 and 9-307 of the UCC is the District of Columbia.

(b) The Grantor does not have any other trade names.

(c) During the four (4) months preceding the date hereof, the Grantor has not been known by any legal name different from the one set forth on the signature page hereto, nor has the Grantor been the subject of any merger or other corporate reorganization.

(d) [1]The name set forth on the signature page attached hereto is the true and correct legal name (as defined in the UCC) of the Grantor.

SECTION 3.3. Ownership; No Liens, etc. The Grantor owns the Intellectual Property Collateral free and clear of any Lien, except for any security interest in favor of the Secured Party created by this IP Security Agreement or any other Finance Document in favor of the Secured Party. No effective UCC financing statement or other filing similar in effect covering all or any part of the Intellectual Property Collateral is on file in any recording office, except those filed in favor of the Secured Party relating to this IP Security Agreement or any other Finance Document or as to which a duly authorized termination statement relating to such UCC financing statement or other instrument has been delivered to the Secured Party on the Closing Date

SECTION 3.4. Validity, etc.

(a) This IP Security Agreement creates a valid security interest in the Intellectual Property Collateral securing the payment of the Obligations.

(b) The Grantor has filed or caused to be filed all UCC-1 financing statements in the filing office for the Grantor's jurisdiction of organization listed in Section 3.2 (collectively, the "Filing Statements") (or has authenticated and delivered to the Secured Party the Filing Statements suitable for filing in such offices).

1 Note to MOFO: The Grantor is a German company with no presence in the U.S.

(c) Upon the filing of the Filing Statements with the appropriate agencies therefor the security interests created under this IP Security Agreement shall constitute a perfected security interest in the Intellectual Property Collateral described on such Filing Statements in favor of the Secured Party on behalf of the Secured Party to the extent that a security interest therein may be perfected by filing pursuant to the relevant Uniform Commercial Code, prior to all other Liens.

SECTION 3.5. Authorization, Approval, etc. Except as have been obtained or made and are in full force and effect, no authorization, approval or other action by, and no notice to or filing with, any Governmental Authority or any other third party is required either:

(a) for the grant by the Grantor of the security interest granted hereby or for the execution, delivery and performance of this IP Security Agreement by the Grantor; or

(b) for the perfection or maintenance of the security interests hereunder including the first priority nature of such security interest (except with respect to the Filing Statements or, with respect to Intellectual Property Collateral, the recordation of any agreements with the U.S. Patent and Trademark Office or the U.S. Copyright Office) or the exercise by the Secured Party of its rights and remedies hereunder.

ARTICLE IV
COVENANTS

The Grantor covenants and agrees that, until the Termination Date, the Grantor will perform, comply with and be bound by the obligations set forth below.

SECTION 4.1. As to Intellectual Property Collateral. The Grantor covenants and agrees to comply with the following provisions as such provisions relate to any Intellectual Property Collateral material to the operations or business of the Grantor:

(a) the Grantor will not (i) do or fail to perform any act whereby any of the Patent Collateral may lapse or become abandoned or dedicated to the public or unenforceable, (ii) permit any of its licensees to (A) fail to continue to use any of the Trademark Collateral in order to maintain all of the Trademark Collateral in full force free from any claim of abandonment for non-use, (B) fail to maintain as in the past the quality of products and services offered under all of the Trademark Collateral, (C) fail to employ all of the Trademark Collateral registered with any federal or state or foreign authority with an appropriate notice of such registration, (D) adopt or use any other Trademark which is confusingly similar or a colorable imitation of any of the Trademark Collateral, (E) use any of the Trademark Collateral registered with any federal, state or foreign authority except for the uses for which registration or application for registration of all of the Trademark Collateral has been made or (F) do or permit any act or knowingly omit to do any act whereby any of the Trademark Collateral may lapse or become invalid or unenforceable, or (iii) do or permit any act or knowingly omit to do any act whereby any of the Copyright Collateral or any of the Trade Secrets Collateral may lapse or become invalid or unenforceable or placed in the public domain except upon expiration of the end of an unrenewable term of a registration thereof, unless, in the case of any of the foregoing requirements in clauses (i), (ii) and (iii), the Grantor shall either (x) reasonably and in good faith determine that any of such Intellectual Property Collateral is of negligible economic value to the Grantor, or (y) the loss of the Intellectual Property Collateral would not have a Material Adverse Effect on the business;

(b) the Grantor shall promptly notify the Secured Party if it knows, or has reason to know, that any application or registration relating to any material item of the Intellectual Property

Collateral may become abandoned or dedicated to the public or placed in the public domain or invalid or unenforceable, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any foreign counterpart thereof or any court) regarding the Grantor's ownership of any of the Intellectual Property Collateral, its right to register the same or to keep and maintain and enforce the same;

(c) in no event will the Grantor or any of its agents, employees, designees or licensees file an application for the registration of any Intellectual Property Collateral with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, unless it promptly informs the Secured Party, and upon request of the Secured Party (subject to the terms of the Loan Agreement), executes and delivers all agreements, instruments and documents as the Secured Party may request to evidence the Secured Party's security interest in such Intellectual Property Collateral;

(d) the Grantor will take all necessary steps, including in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or (subject to the terms of the Loan Agreement) any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue any application (and to obtain the relevant registration) filed with respect to, and to maintain any registration of, the Intellectual Property Collateral, including the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings and the payment of fees and taxes (except to the extent that dedication, abandonment or invalidation is permitted under the foregoing clause (a) or (b)); and

(e) the Grantor will promptly execute and deliver to the Secured Party (as applicable) a Patent Security Agreement, Trademark Security Agreement and/or Copyright Security Agreement, as the case may be, in the forms of Exhibit A, Exhibit B and Exhibit C hereto following its obtaining an interest in any such Intellectual Property, and shall execute and deliver to the Secured Party any other document required to acknowledge or register or perfect the Secured Party's interest in any part of such item of Intellectual Property Collateral unless the Grantor shall determine in good faith (with the consent of the Secured Party) that any Intellectual Property Collateral is of negligible economic value to the Grantor.

SECTION 4.1.2. Certain Deliveries during an Event of Default. The Grantor agrees promptly upon receipt of notice of the occurrence and continuance of an Event of Default from the Secured Party and without any request therefor by the Secured Party, so long as such Event of Default shall continue, to deliver (properly endorsed where required hereby or requested by the Secured Party) to the Secured Party all Proceeds of the Intellectual Property Collateral, in each case thereafter received by the Grantor, all of which shall be held by the Secured Party as additional Intellectual Property Collateral. All Proceeds that may at any time and from time to time be held by the Grantor, but which the Grantor is then obligated to deliver to the Secured Party, shall, until delivery to the Secured Party, be held by the Grantor separate and apart from its other property in trust for the Secured Party.

SECTION 4.1.3. Change of Name, etc. The Grantor will not change its name or place of incorporation or organization or federal taxpayer identification number except upon thirty (30) days' prior written notice to the Secured Party

SECTION 4.2. As to Grantor's Use of Intellectual Property Collateral.

(a) Subject to clause (b), the Grantor will, at its own expense, endeavor to collect, as and when due, all amounts due with respect to any of the Intellectual Property Collateral, including the taking of such action with respect to such collection as the Secured Party may request following the occurrence of an Event of Default or, in the absence of such request, as the Grantor may deem advisable.

(b) At any time following the occurrence and during the continuance of an Event of Default, whether before or after the maturity of any of the Obligations, the Secured Party may (i) revoke any or all of the rights of the Grantor set forth in clause (a), (ii) notify any parties obligated on any of the Intellectual Property Collateral to make payment to the Secured Party of any amounts due or to become due thereunder and (iii) enforce collection of any of the Intellectual Property Collateral by suit or otherwise and surrender, release, or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby.

(c) Upon request of the Secured Party following the occurrence and during the continuance of an Event of Default, the Grantor will, at its own expense, notify any parties obligated on any of the Intellectual Property Collateral to make payment to the Secured Party of any amounts due or to become due thereunder.

(d) At any time following the occurrence and during the continuation of an Event of Default, the Secured Party may endorse, in the name of the Grantor, any item, howsoever received by the Secured Party, representing any payment on or other Proceeds of any of the Intellectual Property Collateral.

SECTION 4.3. Further Assurances, etc. The Grantor agrees that, from time to time at its own expense, it will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or that the Secured Party may request, in order to perfect, preserve and protect any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder with respect to any Intellectual Property Collateral. Without limiting the generality of the foregoing, the Grantor will

(a) file (and hereby authorize the Secured Party to file) such Filing Statements or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or that the Secured Party may request in order to perfect and preserve the security interests and other rights granted or purported to be granted to the Secured Party hereby; and

(b) furnish to the Secured Party, from time to time at the Secured Party's request, statements and schedules further identifying and describing the Intellectual Property Collateral and such other reports in connection with the Intellectual Property Collateral as the Secured Party may request, all in reasonable detail; and

With respect to the foregoing and the grant of the security interest hereunder, the Grantor hereby authorizes the Secured Party to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Intellectual Property Collateral. The Grantor agrees that a carbon, photographic or other reproduction of this IP Security Agreement or any UCC financing statement covering the Intellectual Property Collateral or any part thereof shall be sufficient as a UCC financing statement where permitted by law. The Grantor hereby authorizes the Secured Party to file financing statements describing as the collateral covered thereby "all of the debtor's personal property or assets" or words to that effect, notwithstanding that such wording may be broader in scope than the Intellectual Property Collateral described in this IP Security Agreement.

ARTICLE V
THE SECURED PARTY

SECTION 5.1. Secured Party Appointed Attorney-in-Fact. The Grantor hereby irrevocably appoints the Secured Party its attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion, following the occurrence and during the continuance of an Event of Default, to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this IP Security Agreement, including:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Intellectual Property Collateral;

(b) to file any claims or take any action or institute any proceedings which the Secured Party may deem necessary or desirable to enforce the rights of the Secured Party with respect to any of the Intellectual Property Collateral; and

(c) to perform the affirmative obligations of the Grantor hereunder.

The Grantor hereby acknowledges, consents and agrees that the power of attorney granted pursuant to this Section is irrevocable and coupled with an interest.

SECTION 5.2. Secured Party May Perform. If the Grantor fails to perform any agreement contained herein, the Secured Party may itself perform, or cause performance of, such agreement, and the expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor pursuant to Clause 15.3 of the Loan Agreement.

SECTION 5.3. Secured Party Has No Duty. The powers conferred on the Secured Party hereunder are solely to protect its interest (on behalf of the Secured Party) in the Intellectual Property Collateral and shall not impose any duty on it to exercise any such powers. Except for reasonable care of any Intellectual Property Collateral in its possession and the accounting for moneys actually received by it hereunder, the Secured Party shall have no duty as to any Intellectual Property Collateral or responsibility for taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Intellectual Property Collateral.

SECTION 5.4. Reasonable Care. The Secured Party is required to exercise reasonable care in the custody and preservation of any of the Intellectual Property Collateral in its possession; provided that the Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any of the Intellectual Property Collateral, if it takes such action for that purpose as the Grantor reasonably requests in writing at times other than upon the occurrence and during the continuance of any Event of Default, but failure of the Secured Party to comply with any such request at any time shall not in itself be deemed a failure to exercise reasonable care.

ARTICLE VI
REMEDIES

SECTION 6.1. Certain Remedies. If any Event of Default shall have occurred and be continuing:

(a) The Secured Party may exercise in respect of the Intellectual Property Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a Secured Party on default under the UCC (whether or not the UCC applies to the affected Intellectual Property Collateral) and also may

(i) take possession of any Intellectual Property Collateral not already in its possession without demand and without legal process;

(ii) require the Grantor to, and the Grantor hereby agrees that it will, at its expense and upon request of the Secured Party forthwith, assemble all or part of the Intellectual Property Collateral as directed by the Secured Party and make it available to the Secured Party at a place to be designated by the Secured Party that is reasonably convenient to both parties;

(iii) enter onto the property where any Intellectual Property Collateral is located and take possession thereof without demand and without legal process;

(iv) without notice except as specified below, lease, license, sell or otherwise dispose of the Intellectual Property Collateral or any part thereof in one or more parcels at public or private sale, at any of the Secured Party's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Secured Party may deem commercially reasonable. The Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' prior notice to the Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Secured Party shall not be obligated to make any sale of Intellectual Property Collateral regardless of notice of sale having been given. The Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All Cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon, all or any part of the Intellectual Property Collateral shall be applied (after payment of any amounts payable to the Secured Party pursuant to Clause 15.3 (Enforcement) of the Loan Agreement) by the Secured Party against all or any part of the Obligations in such order and manner as the Secured Party shall elect, consistent with the provisions of the Loan Agreement. In the event that the proceeds of any such sale, collection or realization are insufficient to pay all amounts to which the Secured Party is legally entitled, the Grantor shall be liable for the deficiency, together with interest thereon at the highest rate specified in any applicable Finance Document for interest on overdue principal thereof or such other rate as shall be fixed by applicable law, together with the reasonable costs of collection and the reasonable fees, costs, expenses and other charges of any attorneys employed by the Secured Party to collect such deficiency.

(c) The Secured Party may

(i) transfer all or any part of the Intellectual Property Collateral into the name of the Secured Party or its nominee, with or without disclosing that such Intellectual Property Collateral is subject to the Lien hereunder,

(ii) notify the parties obligated on any of the Intellectual Property Collateral to make payment to the Secured Party of any amount due or to become due thereunder,

(iii) withdraw, or cause or direct the withdrawal, of all funds with respect to the Intellectual Property Collateral Account;

(iv) enforce collection of any of the Intellectual Property Collateral by suit or otherwise, and surrender, release or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any obligations of any nature of any party with respect thereto,

(v) endorse any checks, drafts, or other writings in the Grantor's name to allow collection of the Intellectual Property Collateral,

(vi) take control of any Proceeds of the Intellectual Property Collateral, and

(vii) execute (in the name, place and stead of the Grantor) endorsements, assignments, stock powers and other instruments of conveyance or transfer with respect to all or any of the Intellectual Property Collateral.

SECTION 6.2. Compliance with Restrictions. The Grantor agrees that in any sale of any of the Intellectual Property Collateral whenever an Event of Default shall have occurred and be continuing, the Secured Party is hereby authorized to comply with any limitation or restriction in connection with such sale as it may be advised by counsel is necessary in order to avoid any violation of applicable law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that such prospective bidders and purchasers have certain qualifications, and restrict such prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Intellectual Property Collateral), or in order to obtain any required approval of the sale or of the purchaser by any Governmental Authority or official, and the Grantor further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Secured Party be liable nor accountable to the Grantor for any discount allowed by the reason of the fact that such Intellectual Property Collateral is sold in compliance with any such limitation or restriction.

SECTION 6.3. Protection of Intellectual Property Collateral. The Secured Party may from time to time, at its option, perform any act which the Grantor fails to perform after being requested in writing so to perform (it being understood that no such request need be given after the occurrence and during the continuance of an Event of Default) and the Secured Party may from time to time take any other action which the Secured Party deems necessary for the maintenance, preservation or protection of any of the Intellectual Property Collateral or of its security interest therein.

ARTICLE VII
MISCELLANEOUS PROVISIONS

SECTION 7.1. Finance Document. This IP Security Agreement is a Finance Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Sections 11 and 12 thereof.

SECTION 7.2. Binding on Successors, Transferees and Assigns; Assignment. This IP Security Agreement shall remain in full force and effect until the Termination Date has occurred, shall be binding upon the Grantor and its successors, transferees and assigns and shall inure to the benefit of and be enforceable by the Secured Party and its successors, transferees and assigns; provided that the Grantor will not (unless otherwise permitted under the terms of the Loan Agreement or this IP Security Agreement) assign or otherwise transfer or delegate this IP Security Agreement, or any of its obligations

hereunder, without the prior written consent of the Secured Party, and any such purported assignment, transfer or delegation without such prior written consent of the Secured Party (unless otherwise permitted under the terms of the Loan Agreement or this IP Security Agreement) shall be null and void *ab initio* and of no force and effect.

SECTION 7.3. Amendments, etc. No amendment to or waiver of any provision of this IP Security Agreement, nor consent to any departure by the Grantor from its obligations under this IP Security Agreement, shall in any event be effective unless the same shall be in writing and signed by the Secured Party and the Grantor and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 7.4. Notices. All notices and other communications provided for hereunder shall be in writing or by facsimile and addressed, delivered or transmitted to the appropriate party at the address or facsimile number of such party specified in the Loan Agreement or at such other address or facsimile number as may be designated by such party in a notice to the other party. Any notice or other communication, if mailed and properly addressed with postage prepaid or if properly addressed and sent by pre-paid courier service, shall be deemed given when received; any such notice or other communication, if transmitted by facsimile, shall be deemed given when transmitted and electronically confirmed.

SECTION 7.5. Release of Liens. Upon (a) the sale (provided that, for the avoidance of doubt, as used in this Section 7.5, the term "sale" shall not include the granting or transfer of any licenses or other rights of use or similar rights or benefits) to a non-Obligor of any of the Intellectual Property Collateral solely as and to the extent expressly permitted under the Loan Agreement, or (b) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (i) in the case of clause (a) of this Section 7.5, such Intellectual Property Collateral so sold; provided that the security interests granted herein shall not terminate with respect to any of the Proceeds of such sale of such Intellectual Property Collateral, or (ii) in the case of clause (b) of this Section 7.5, all of the Intellectual Property Collateral. Upon any such termination of security interests as described in the immediately preceding sentence, the Secured Party will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all Intellectual Property Collateral (if any) physically held by the Secured Party hereunder that is released pursuant to such termination (subject, in each case, to the terms and limitations contained in this Section 7.5), and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 7.6. No Waiver; Remedies. In addition to, and not in limitation of Section 2.5, no failure on the part of the Secured Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 7.7. Headings. The various headings of this IP Security Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this IP Security Agreement or any provisions thereof.

SECTION 7.8. Severability. Any provision of this IP Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such provision and such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this IP Security Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 7.9. Governing Law, Entire Agreement, etc. THIS IP SECURITY AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO ANY CHOICE OF

LAW PROVISIONS THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION), EXCEPT TO THE EXTENT THAT THE PERFECTION, EFFECT OF PERFECTION OR NONPERFECTION, AND PRIORITY OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR INTELLECTUAL PROPERTY COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK. This IP Security Agreement and the other Finance Documents constitute the entire understanding among the parties hereto with respect to the subject matter hereof and thereof and supersede any prior agreements, written or oral, with respect thereto.

SECTION 7.10. Counterparts. This IP Security Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. Delivery of an executed counterpart of a signature page to this IP Security Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this IP Security Agreement.

SECTION 7.11. Other Finance Documents. Without limiting any of the rights, remedies, privileges or benefits provided hereunder to the Secured Party for its benefit, the Grantor and the Secured Party hereby agree that the terms and provisions of this IP Security Agreement in respect of any Intellectual Property Collateral subject to the pledge or other Lien of any Finance Document governed by a jurisdiction located outside of the United States of America are, and shall be deemed to be, supplemental and in addition to the rights, remedies, privileges and benefits provided to the Secured Party under such other Finance Document and under applicable law to the extent consistent with applicable law; provided that, in the event that the terms of this IP Security Agreement conflict or are inconsistent with the applicable other Finance Document or applicable law governing such other Finance Document, (i) to the extent that the provisions of such other Finance Document or applicable law of any jurisdiction located outside of the United States of America are, under applicable law of any such non-United States jurisdiction, necessary for the creation, perfection or priority of the security interests in the Intellectual Property Collateral subject to such other Finance Document, the terms of such other Finance Document shall be controlling and (ii) otherwise, the terms of this IP Security Agreement shall be controlling.

IN WITNESS WHEREOF, each of the parties hereto has caused this IP Security Agreement to be duly executed and delivered by its Authorized Officer as of the date first above written.

AFFIMED THERAPEUTICS AG

By: _____
Name:
Title:

PCOF 1, LLC,
as Secured Party

By: _____
Name:
Title:

Excluded Intellectual Property Collateral

Trademark "TANDAB" for AFM11 and AFM13

Country	Status	Application No.	Registration No.
Germany	Registered	30623328,2	30623328
Europe (CTM)	Registered	005040738	005040738
USA	Registered	IR 920 199	IR 920 199

Patents for AFM11

1. "Multivalent antibody constructs" (TandAb) [inlicensed]

   Application discloses bivalent and tetravalent Fv antibody constructs (TandAb); constructs can be monospecific, bi- or multispecific. Each molecule comprises four variable domains linked by linker 1, 2, and 3 which can differ in length; general diagnostic and therapeutic use, in particular for viral, bacterial or tumoral disease is mentioned

   Patent term: May 5, 2019

   Granted in: Europe, USA, Japan, Australia, Canada

2. "TandAb – New domain order" (TandAb)

   Application covers TandAbs having a different domain order. In contrast to first TandAb application various specificities and medical uses are disclosed; exemplified are CD3xCD19 and HSAxCD3 TandAbs

   Filing date: February 25, 2010

   Status: pending

Patents for AFM13

1. "Multivalent antibody constructs" (TandAb) [inlicensed]

   Application discloses bivalent and tetravalent Fv antibody constructs (TandAb); constructs can be monospecific, bi- or multispecific. Each molecule comprises four variable domains linked by linker 1, 2, and 3 which can differ in length; general diagnostic and therapeutic use, in particular for viral, bacterial or tumoral disease is mentioned

   Patent term: May 5, 2019

Granted in: Europe, USA, Japan, Australia, Canada

2. “Anti-CD16A binding molecules”

The invention relates to anti-CD16A binding molecules which are not binding to CD16B; various bispecific antibodies or different antibody formats and their medical uses are disclosed

Filing date: May 26, 2006 (term possible to 2026)

Status: pending in Europe, USA, Australia, Canada, China, Russia, India, Brazil

3. “CD16xCD30” [inlicensed]

Patent relates to bispecific CD16xCD30 Fv antibodies useful for the lysis of CD30 expressing cells (such as HL); exemplified are diabodies; not limited to particular format

Patent term: August 2, 2020

Granted in: Europe

1. “Multivalent antibody constructs” (TandAb)

Country	Status	Application No.	Publication/Patent No.
Germany	Pending	198 19 846.9	DE19819846
Europe nationalized in AT,BE,CH,DK,FR,DE,GB,IT,ES,NL,SE	Granted	99 932 626.7	EP 1 078 004
USA	Granted	09/674 794	7,129,330
USA-DIV I	Granted	11/546,262	7,507,796
USA-DIV II	Granted	12/367,219	8,148,496
Japan	Granted	2000-547118	JP4431277
Australia	Granted	2003203868	AU2003203868
Canada	Granted	2 331 641	CA2 331 641

2. “TandAb – New domain order” (TandAb)

Country	Status	Application No.	Publication/Patent No.
Europe I	Pending	10 154751	EP2361936
Europe II	Pending	11 156 113	EP2371866
USA (provisional)	Abandoned	61/308,205	
USA (regular)	Pending	13/034,920	US2011-0206672
USA – DIV	Pending	13/727,059	US2013-0189263
PCT-Internat	Completed	PCT/EP2011/062673	WO2013/013700
Australia	Pending	2011373925	
Brazil	Pending	11 2014 0015732	
Canada	Pending	2,842,649	
China	Pending	201180072477.5	
Japan	Pending	2014-520541	
Mexico	Pending	MX/a/2014/000816	
Russia	Pending	2013157040	

3. “Anti-CD16A binding molecules”

Country	Status	Application No.	Publication/Patent No.
Great Britain	Pending	0510790.9	
PCT-Appl Nationalized in US,JP,AU,CA,CN,RU,IN,BR,EP	Completed	PCT/EP2006/005057	WO2006125668
USA	Pending	11/921,123	US2009-0214574
Japan	Granted	2008-512781	JP 5430928
Australia	Granted	2006251283	AU2006251283
Canada	Pending	2609593	CA2609593
China	Pending	200680018364	CN101583625
Russia	Granted	2007144680	RU2491294
India	Granted	1966/MUMNP/2007	

Brazil	Pending	PI0611194-7	BRPI0611194-7
Europe	Granted	6753913.0	EP1888645
Europe-Div	Pending	11190768.9	EP2450380

4. *CD16xCD30"*

Country	Status	Application Number	Publication/Patent No.
Germany	Abandoned	199 37 264.0	DE19937264
Europe nationalized in AT, BE, CH, DE, FR, ES, GB, IE, IT NL	Granted	00 958 214.9	EP1206555
USA	Abandoned	10/049,404	

Bispecific CD33 and CD3 Binding Proteins (in collaboration with industry partner)

Country	Status	Application No.
USA	Provisional	62/019,795

Item A. Patents

Issued Patents

Country	Patent No.	Issue Date	Inventor(s)	Title
USA	US 7,812,136			Anti- GPIIb/IIIa antibodies (co-owned) (will not be maintained)
USA	US 8,455,627			Anti- GPIIb/IIIa antibodies (co-owned) (will not be maintained)
USA	US 7,901,677			Use of an antibody against the laminin receptor for tumor diagnostic and therapy
USA	US 7,507,797			scFv acting against 37 kDA/67 kDA laminin receptor for prion disease and tumor therapy

Pending Patent Applications

Country	Serial No.	Filing Date	Inventor(s)	Title
USA	10/489,626			Multimeric single chain tandem Fv-Antibodies “Flexibodies”
USA	10/527,346			Human CD3-specific antibody with immuno-suppressive activity

Patent Applications In Preparation

Country	Docket No.	Expected Filing Date	Inventor(s)	Title
None.				

Item B. Patent Licenses

Country or Territory	Licensor	Licensee	Effective Date	Expiration Date	Subject Matter
None.					

Item A. Trademarks

	Registered Trademarks		
Country	Trademark	Registration No.	Registration Date
None.			

	Pending Trademark Applications		
Country	Trademark	Serial No.	Filing Date
None.			

	Trademark Applications In Preparation			
Country	Trademark	Docket No.	Expected Filing Date	Products/ Services
None.				

Item B. Trademark Licenses

Country or Territory	Trademark	Licensor	Licensee	Effective Date	Expiration Date
None.					

Item A. Copyrights/Mask Works

	Registered Copyrights/Mask Works			
Country	Registration No.	Registration Date	Author(s)	Title
None.				

	Copyright/Mask Work Pending Registration Applications			
Country	Serial No.	Filing Date	Author(s)	Title
None.				

	Copyright/Mask Work Registration Applications In Preparation			
Country	Docket No.	Expected Filing Date	Author(s)	Title
None.				

Item B. Copyright/Mask Work Licenses

None.

Trade Secret or Know-How Licenses

None.

EXHIBIT A
to IP Security Agreement

PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT, dated as of _____, 2014 (as amended or otherwise modified from time to time, this "Agreement"), is made by Affimed Therapeutics AG, a German stock corporation (the "Grantor"), in favor of PCOF 1, LLC, a Delaware limited liability company, as the secured party (together with its transferees, successors and assigns, collectively, the "Secured Party").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Term Facility Agreement, dated as of July 24, 2014, by and between the Grantor, as borrower, and the Secured Party, as lender (as amended or otherwise modified from time to time, the "Loan Agreement"), the Secured Party has agreed to make available certain Loans to the Grantor, on the terms and subject to the conditions contained therein; and

WHEREAS, in connection with the Loan Agreement, the Grantor has executed and delivered an IP Security Agreement, dated as of July 24, 2014 (as amended or otherwise modified from time to time, the "IP Security Agreement");

WHEREAS, pursuant to the Loan Agreement and pursuant to clause (e) of Section 4.2 of the IP Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Secured Party a continuing security interest in all of the Patent Collateral (as defined below) to secure all of the Obligations; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of the Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the IP Security Agreement.

SECTION 2. Grant of Security Interest. The Grantor hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Secured Party, for its benefit, and hereby grants to the Secured Party, for its benefit, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Grantor (the "Patent Collateral"):

(a) all of its letters patent and applications for letters patent in the United States of America, including all patent applications in preparation for filing and each patent and patent application referred to in Item A of Schedule I attached hereto;

(b) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in clause (a);

(c) all of its patent licenses, and other agreements providing the Grantor with the right to use any items of the type referred to in clauses (a) and (b) above, including each patent license referred to in Item B of Schedule I attached hereto; and

(d) all Proceeds of, and rights associated with, the foregoing (including license royalties and Proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, and for breach or enforcement of any patent license.

SECTION 3. IP Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Secured Party in the Patent Collateral with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party for its benefit under the IP Security Agreement. The IP Security Agreement (and all rights and remedies of the Secured Party and the Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (a) the sale (provided that, for the avoidance of doubt, as used in this Section 4, the term "sale" shall not include the granting or transfer of any licenses or other rights of use or similar rights or benefits) to a non-Obligor of any of the Patent Collateral solely as and to the extent expressly permitted under the Loan Agreement, or (b) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (i) in the case of clause (a) of this Section 4, such Patent Collateral so sold; provided that the security interests granted herein shall not terminate with respect to any of the Proceeds of such sale of such Patent Collateral) or (ii) in the case of clause (b) of this Section 4, all of the Patent Collateral. Upon any such termination of security interests as described in the immediately preceding sentence, the Secured Party will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all Patent Collateral (if any) physically held by the Secured Party hereunder that is released pursuant to such termination (subject, in each case, to the terms and limitations contained in this Section 4), and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the IP Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Finance Document. This Agreement is a Finance Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Sections 11 and 12 thereof.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

* * * * *

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered by its Authorized Officer as of the date first above written.

AFFIMED THERAPEUTICS AG

By: _____
Name:
Title:

PCOF 1, LLC,
as Secured Party

By: _____
Name:
Title:

Item A. Patents

Issued Patents					
Country	Patent No.	Issue Date	Inventor(s)	Title	

Pending Patent Applications				
Country	Serial No.	Filing Date	Inventor(s)	Title

Patent Applications in Preparation				
Country	Docket No.	Expected Filing Date	Inventor(s)	Title

Item B. Patent Licenses

Country or Territory	Licensor	Licensee	Effective Date	Expiration Date	Subject Matter

EXHIBIT B
to IP Security Agreement

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT, dated as of _____, 2014 (as amended or otherwise modified from time to time, this "Agreement"), is made by Affimed Therapeutics AG, a German stock corporation (the "Grantor"), in favor of PCOF 1, LLC, a Delaware limited liability company, as the secured party (together with its transferees, successors and assigns, collectively, the "Secured Party").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Term Facility Agreement, dated as of July 24, 2014, by and between the Grantor, as borrower, and the Secured Party, as lender (as amended or otherwise modified from time to time, the "Loan Agreement"), the Secured Party has agreed to make available certain Loans to the Grantor, on the terms and subject to the conditions contained therein; and

WHEREAS, in connection with the Loan Agreement, the Grantor has executed and delivered a Pledge and IP Security Agreement, dated as of July, 24 2014 (as amended or otherwise modified from time to time, the "IP Security Agreement");

WHEREAS, pursuant to the Loan Agreement and pursuant to clause (e) of Section 4.2 of the IP Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Secured Party a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Obligations; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of the Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the IP Security Agreement.

SECTION 2. Grant of Security Interest. The Grantor hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Secured Party, for its benefit, and hereby grants to the Secured Party, for its benefit, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Grantor (the "Trademark Collateral"):

(a) (i) all of its Trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, and all goodwill of the business associated therewith, now existing or hereafter adopted or acquired including those referred to in Item A of Schedule I hereto, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any other

country or political subdivision thereof or otherwise, and all common-law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing (collectively referred to as the "Trademark");

(b) all Trademark licenses for the grant by or to the Grantor of any right to use any Trademark, including each Trademark license referred to in Item B of Schedule I hereto;

(c) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clause (a), and to the extent applicable clause (b);

(d) the right to sue third parties for past, present and future infringements of any Trademark Collateral described in clause (a) and, to the extent applicable, clause (b); and

(e) all Proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license and all rights corresponding thereto throughout the world.

SECTION 3. IP Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Secured Party in the Trademark Collateral with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party for its benefit under the IP Security Agreement. The IP Security Agreement (and all rights and remedies of the Secured Party and the Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (a) the sale (provided that, for the avoidance of doubt, as used in this Section 4, the term "sale" shall not include the granting or transfer of any licenses or other rights of use or similar rights or benefits) to a non-Obligor of any of the Trademark Collateral solely as and to the extent expressly permitted under the Loan Agreement, or (b) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (i) in the case of clause (a) of this Section 4, such Trademark Collateral so sold; provided that the security interests granted herein shall not terminate with respect to any of the Proceeds of such sale of such Trademark Collateral) or (ii) in the case of clause (b) of this Section 4, all of the Trademark Collateral. Upon any such termination of security interests as described in the immediately preceding sentence, the Secured Party will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all Trademark Collateral (if any) physically held by the Secured Party hereunder that is released pursuant to such termination (subject, in each case, to the terms and limitations contained in this Section 4), and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the IP Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Finance Document. This Agreement is a Finance Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Sections 11 and 12 thereof.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

* * * * *

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered by Authorized Officer as of the date first above written.

AFFIMED THERAPEUTICS AG

By: _____
Name:
Title:

PCOF 1, LLC,
as Secured Party

By: _____
Name:
Title:

Item A. Trademarks

Registered Trademarks			
Country	Trademark	Registration No.	Registration Date

Pending Trademark Applications			
Country	Trademark	Serial No.	Filing Date

Trademark Applications in Preparation			
Country	Trademark	Docket No.	Expected Filing Date	Products/ Services

Item B. Trademark Licenses

Country or Territory	Trademark	Licensor	Licensee	Effective Date	Expiration Date

EXHIBIT C
to IP Security Agreement

COPYRIGHT SECURITY AGREEMENT

This COPYRIGHT SECURITY AGREEMENT, dated as of _____, 2014 (as amended or otherwise modified from time to time, this "Agreement"), is made by Affimed Therapeutics AG, a German stock corporation (the "Grantor"), in favor of PCOF 1, LLC, a Delaware limited liability company, as the secured party (together with its transferees, successors and assigns, collectively, the "Secured Party").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Term Facility Agreement, dated as of July 24, 2014, by and between the Grantor, as borrower, and the Secured Party, as lender (as amended or otherwise modified from time to time, the "Loan Agreement"), the Secured Party has agreed to make available certain Loans to the Grantor, on the terms and subject to the conditions contained therein; and

WHEREAS, in connection with the Loan Agreement, the Grantor has executed and delivered a Pledge and IP Security Agreement, dated as of July, 24 2014 (as amended or otherwise modified from time to time, the "IP Security Agreement");

WHEREAS, pursuant to the Loan Agreement and pursuant to clause (e) of Section 4.2 of the IP Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Secured Party a continuing security interest in all of the Copyright Collateral (as defined below) to secure all Obligations; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of the Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the IP Security Agreement.

SECTION 2. Grant of Security Interest. The Grantor hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Secured Party, for its benefit, and hereby grants to the Secured Party, for its benefit, a continuing security interest in all of the following (the "Copyright Collateral"), whether now or hereafter existing or acquired by the Grantor: all copyrights of the Grantor, whether statutory or common law, registered or unregistered and whether published or unpublished, now or hereafter in force throughout the world including all of the Grantor's right, title and interest in and to all copyrights registered in the United States Copyright Office and also including the copyrights referred to in Item A of Schedule I hereto, and registrations and recordings thereof and all applications for registration thereof, whether pending or in preparation, all copyright licenses, including each copyright license referred to in Item B of Schedule I hereto, the right to sue for past, present and future infringements of any of the foregoing, all rights corresponding thereto, all extensions and renewals of any thereof and all Proceeds of the foregoing, including licenses, royalties, income, payments, claims, damages and Proceeds of suit.

SECTION 3. IP Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Secured Party in the Copyright Collateral with the United States Copyright Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party for its benefit under the IP Security Agreement. The IP Security Agreement (and all rights and remedies of the Secured Party and the Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (a) the sale (provided that, for the avoidance of doubt, as used in this Section 4, the term "sale" shall not include the granting or transfer of any licenses or other rights of use or similar rights or benefits) to a non-Obligor of any of the Copyright Collateral solely as and to the extent expressly permitted under the Loan Agreement, or (b) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (i) in the case of clause (a) of this Section 4, such Copyright Collateral so sold; provided that the security interests granted herein shall not terminate with respect to any of the Proceeds of such sale of such Copyright Collateral) or (ii) in the case of clause (b) of this Section 4, all of the Copyright Collateral. Upon any such termination of security interests as described in the immediately preceding sentence, the Secured Party will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all Copyright Collateral (if any) physically held by the Secured Party hereunder that is released pursuant to such termination (subject, in each case, to the terms and limitations contained in this Section 4), and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the security interest in the Copyright Collateral granted hereby are more fully set forth in the IP Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Finance Document. This Agreement is a Finance Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Sections 10 and 11 thereof.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

* * * * *

Annex 2

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered by its Authorized Officer as of the date first above written.

AFFIMED THERAPEUTICS AG

By: _____
Name:
Title:

PCOF 1, LLC,
as Secured Party

By: _____
Name:
Title:

Annex 3

Schedule I
to Copyright Security Agreement

Item A. Copyrights/Mask Works

Country	Registered Copyrights/Mask Works			
	Registration No.	Registration Date	Author(s)	Title

Country	Copyright/Mask Work Pending Registration Applications			
	Serial No.	Filing Date	Author(s)	Title

Country	Copyright/Mask Work Registration Applications In Preparation			
	Docket No.	Expected Filing Date	Author(s)	Title

Item B. Copyright/Mask Work Licenses

Country or Territory	Licensor	Licensee	Effective Date	Expiration Date

SCHEDULE 24-PART II

PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT, dated as of July 24, 2014 (as amended or otherwise modified from time to time, this "Agreement"), is made by Affimed Therapeutics AG, a German stock corporation (the "Grantor"), in favor of PCOF 1, LLC, a Delaware limited liability company, as the secured party (together with its transferees, successors and assigns, collectively, the "Secured Party").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Term Facility Agreement, dated as of July 24, 2014, by and between the Grantor, as borrower, and the Secured Party, as lender (as amended or otherwise modified from time to time, the "Loan Agreement"), the Secured Party has agreed to make available certain Loans to the Grantor, on the terms and subject to the conditions contained therein; and

WHEREAS, in connection with the Loan Agreement, the Grantor has executed and delivered an IP Security Agreement, dated as of July 24, 2014 (as amended or otherwise modified from time to time, the "IP Security Agreement");

WHEREAS, pursuant to the Loan Agreement and pursuant to clause (e) of Section 4.2 of the IP Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Secured Party a continuing security interest in all of the Patent Collateral (as defined below) to secure all of the Obligations; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of the Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the IP Security Agreement.

SECTION 2. Grant of Security Interest. The Grantor hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Secured Party, for its benefit, and hereby grants to the Secured Party, for its benefit, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Grantor (the "Patent Collateral"):

(a) all of its letters patent and applications for letters patent in the United States of America, including all patent applications in preparation for filing and each patent and patent application referred to in Item A of Schedule I attached hereto;

(b) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in clause (a);

(c) all of its patent licenses, and other agreements providing the Grantor with the right to use any items of the type referred to in clauses (a) and (b) above, including each patent license referred to in Item B of Schedule I attached hereto; and

(d) all Proceeds of, and rights associated with, the foregoing (including license royalties and Proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, and for breach or enforcement of any patent license.

SECTION 3. IP Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Secured Party in the Patent Collateral with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party for its benefit under the IP Security Agreement. The IP Security Agreement (and all rights and remedies of the Secured Party and the Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (a) the sale (provided that, for the avoidance of doubt, as used in this Section 4, the term "sale" shall not include the granting or transfer of any licenses or other rights of use or similar rights or benefits) to a non-Obligor of any of the Patent Collateral solely as and to the extent expressly permitted under the Loan Agreement, or (b) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (i) in the case of clause (a) of this Section 4, such Patent Collateral so sold; provided that the security interests granted herein shall not terminate with respect to any of the Proceeds of such sale of such Patent Collateral) or (ii) in the case of clause (b) of this Section 4, all of the Patent Collateral. Upon any such termination of security interests as described in the immediately preceding sentence, the Secured Party will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all Patent Collateral (if any) physically held by the Secured Party hereunder that is released pursuant to such termination (subject, in each case, to the terms and limitations contained in this Section 4), and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the IP Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Finance Document. This Agreement is a Finance Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Sections 11 and 12 thereof.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

* * * * *

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered by its Authorized Officer as of the date first above written.

AFFIMED THERAPEUTICS AG

By: _____
Name:
Title:

PCOF 1, LLC,
as Secured Party

By: _____
Name:
Title:

SCHEDULE I
to Patent Security Agreement

Item A. Patents

Issued Patents

Country	Patent No.	Issue Date	Inventor(s)	Title
USA	US 7,812,136			Anti- GPIIb/IIIa antibodies (co-owned) (will not be maintained)
USA	US 8,455,627			Anti- GPIIb/IIIa antibodies (co-owned) (will not be maintained)
USA	US 7,901,677			Use of an antibody against the laminin receptor for tumor diagnostic and therapy
USA	US 7,507,797			scFv acting against 37 kDA/67 kDA laminin receptor for prion disease and tumor therapy

Pending Patent Applications

Country	Serial No.	Filing Date	Inventor(s)	Title
USA	10/489,626			Multimeric single chain tandem Fv-Antibodies "Flexibodies"
USA	10/527,346			Human CD3-specific antibody with immuno-suppressive activity

Patent Applications In Preparation

Country	Docket No.	Expected Filing Date	Inventor(s)	Title
None.				

Item B. Patent Licenses

Country or Territory	Licensor	Licensee	Effective Date	Expiration Date	Subject Matter
None.					

SCHEDULE 25

To [PCOF 1 LLC]

("**Perceptive**")

Date [•] 2014 [•]
Our ref. M21149758/1/20599951/tmf Advocaat

DRAFT 23 JULY; SUBJECT TO REVIEW OF DOCUMENTS AND PARTNER'S APPROVAL

Dear Sir/Madam,

Affimed N.V. (the "Company") Warrant Agreement (the "Warrant Agreement")

1 Introduction

I act as Dutch legal adviser (*advocaat*) to the Company in connection with its entry into the Warrant Documents.

Certain terms used in this opinion are defined in **Annex 1** (*Definitions*).

2 Dutch Law

This opinion is limited to Dutch law in effect on the date of this opinion. It (including all terms used in it) is to be construed in accordance with Dutch law.

3 Scope of Inquiry

For the purpose of this opinion, I have examined, and relied upon the accuracy of the factual statements in, the following documents:

3.1 A copy of:

(a) The Facility Agreement signed by the Company; and

(b) The Warrant Agreement signed by the Company.

3.2 A copy of:

(a) the Company's deed of incorporation, as provided by the Chamber of Commerce (*Kamer van Koophandel*) and the Deed of Conversion, containing the Company's articles of association as in force at the time of the issue of the Warrant Shares;

(b) [the Board Regulations;]

(c) the Trade Register Extract;

(d) the Shareholders Register; and

(e) each Corporate Resolution.

3.3 The form of the Deed of Issue.

In addition, I have obtained the following confirmations on the date of this opinion:

3.4 Confirmation by telephone from the Chamber of Commerce that the Trade Register Extract is up to date.

3.5

(a) Confirmation by telephone from the court registry of the District Court of the place where the Company has its corporate seat, derived from that Court's Insolvency Register; and

(b) confirmation through www.rechtspraak.nl, derived from the segment for EU registrations of the Central Insolvency Register;

in each case that the Company is not registered as being subject to Insolvency Proceedings.

I have not examined any document, and do not express an opinion on, or on any reference to, any document other than the documents referred to in this paragraph 3. My examination has been limited to the text of the documents and I have not investigated the meaning and effect of any document governed by a law other than Dutch law under that other law.

4 Assumptions

For the purpose of this opinion, I have made the following assumptions:

4.1

(a) Each copy document conforms to the original and each original is genuine and complete.

(b) Each signature is the genuine signature of the individual concerned.

(c) Each confirmation referred to in this opinion is true.

(d) The Deed of Issue will have been executed and delivered in the form referred to in this opinion.

4.2 The Warrant Agreement is within the capacity and powers of, and has been or will have been validly authorised, accepted, agreed and entered into and has been and will be duly performed by, each party other than the Company.

4.3 The choice of Dutch law as the governing law of the Agreement applies to the submission to the jurisdiction of the Dutch courts pursuant to the Jurisdiction Clause.

4.4 Each Corporate Resolution:

(i) has been validly passed and remains in full force and effect without modification; and

(ii) complies with the requirements of reasonableness and fairness (*redelijkheid en billijkheid*).

4.5

(a) Each Warrant Document is within the capacity and powers of, and has been or will have been validly authorised, executed and delivered by, each party other than the Company.

(b) The Deed of Issue will have been signed on behalf of the Company by two of its managing directors.

4.6 The Warrant Agreement and the Facility Agreement have been entered into and, where applicable, acceded to on an arm's length basis.

4.7

(a) At the time of the adoption of the Warrant Managing Board Resolution and at the moment of entry into the Warrant Agreement, the Company's authorised capital (for the avoidance of doubt, minus all than outstanding Common Shares and minus then granted and validly outstanding rights to subscribe for Common Shares) was sufficient to allow for the issue of all Warrant Shares that may be subscribed for pursuant to the Warrant Agreement. At the time of the issue of each Warrant Share, the Company's authorised capital will be sufficient to allow for the issue.

(b) The Warrant Shares will have been offered, issued and accepted by their subscribers in accordance with all applicable laws (including, for the avoidance of doubt, Dutch law).

(c) Each Warrant Share will have been issued in the form and manner prescribed by the Company's articles of association at the time of issue.

(d) The Warrant Shares have been or will have been paid in accordance with each Warrant Document and on each Warrant Share always the nominal value shall have been or will have been paid up.

(e) At the time when it entered into the Warrant Agreement, the Company did not possess inside information (*voorwetenschap*) in respect of the Company or the trade in the Common Shares.

(f) At the time of the accession to the Facility Agreement by the Company, the Company was not listed on a regulated market or multilateral trading facility, nor had a request for listing on any such market been made.

(g) At the time of the issuance of the Warrant Shares the Company is listed on an exchange or multilateral trading facility as meant in section 2:86c(1) of the Dutch Civil Code.

5 Opinion

Based on the documents and confirmations referred to and the assumptions made in paragraphs 3 and 4 and subject to the qualifications in paragraph 6

and to any matters not disclosed to me (including force (*bedreiging*), fraud (*bedrog*), undue influence (*misbruik van omstandigheden*) or a mistake (*dwaling*) in connection with each Warrant Document and the issue of the Warrant Shares), I am of the following opinion:

5.1 The Company has been incorporated as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid)* and upon the execution of the Deed of Conversion exists as a limited liability company (*naamloze vennootschap*).

5.2

(a) The Company has the corporate power to execute, deliver and perform each Warrant Document.

(b) The Company has the corporate power to conduct any business which (i) falls within the objects clause in its articles of association and (ii) is in its corporate interest.

(c) The Company has taken all necessary corporate action to authorise its execution, delivery and performance of the Warrant Agreement.

(d) The Company has validly executed the Warrant Agreement.

5.3

(a) The Company does not require any licence, dispensation, recognition or other governmental consent for its execution, delivery and performance of the Warrant Agreement.

(b) There are no registration, filing or similar governmental formalities required to ensure the validity, binding effect on and enforceability against the Company of the Warrant Agreement.

5.4 The execution, delivery and performance of the Warrant Agreement by the Company does not violate Dutch law or the Company's articles of association.

5.5

(a) The Warrant Agreement is valid, binding on and enforceable against the Company.

(b) In proceedings in a Dutch court, according and subject to Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2001, L 012, 1), the Jurisdiction Clause is valid, binding on and enforceable against the Company.

5.6

(a) When issued pursuant to a validly signed Deed of Issue and upon payment in accordance with the Warrant Agreement, the Warrant Shares will have been validly issued and are fully paid and nonassessable[1].

(b) The statutory pre-emptive rights (*voorkeursrechten*) of the Company's shareholders in relation to the issue of the Warrant Shares have been validly excluded.

6 Qualifications

This opinion is subject to the following qualifications:

6.1 This opinion is subject to any limitations arising from bankruptcy, suspension of payments, emergency measures, (other) Insolvency Proceedings or other laws relating to or affecting the rights of creditors

6.2 The application of Dutch law as the governing law of the Warrant Agreement:

(a) will not prevent effect being given to the overriding provisions of the law of a jurisdiction with which the situation has a close connection (and for this purpose "overriding provisions" are provisions the respect for which is regarded as crucial by a jurisdiction for safeguarding its public interests to such an extent that they are applicable to any situation falling within their scope, irrespective of the law otherwise applicable to an agreement); and

(b) will not prevent regard having to be had to the law of the jurisdiction in which performance takes place in relation to the manner of performance and the steps to be taken in the event of defective performance

6.3 The binding effect and enforceability of the Warrant Agreement may be affected by rules of Dutch law which generally apply to contractual arrangements like the Agreement, including (without limitation) the requirements of reasonableness and fairness (*redelijkheid en billijkheid*) and rules relating to *force majeure*.

---

[1] In this opinion, "nonassessable" – which term has no equivalent in Dutch – means, in relation to a share, that the issuer of the share has no right to require the holder of the share to pay to the issuer any amount (in addition to the amount required for the share to be fully paid) solely as a result of his shareholdership.

6.4 The enforcement in the Netherlands of the Warrant Agreement and of foreign judgments is subject to Dutch rules of civil procedure.

6.5 The enforceability of the Warrant Agreement may be limited under the 1977 Sanction Act (*Sanctiewet 1977*) or otherwise by international sanctions.

6.6 In proceedings in a Dutch court for the enforcement of the Warrant Agreement, the court may mitigate amounts due in respect of litigation and collection costs.

6.7

(a) An extract from the Trade Register does not provide conclusive evidence that the facts set out in it are correct. However, under the 2007 Trade Register Act (*Handelsregisterwet 2007*), subject to limited exceptions, a legal entity or partnership cannot invoke the incorrectness or incompleteness of its Trade Register registration against third parties who were unaware of the incorrectness or incompleteness.

(b) A confirmation derived from an Insolvency Register does not provide conclusive evidence that an entity is not subject to Insolvency Proceedings.

6.8 I do not express any opinion on:

(a) any taxation matters; nor on

(b) any adjustment of the Exercise Price or the number of Warrant Shares.

7 Reliance

7.1 This opinion is addressed to and may be relied upon by Perceptive for the purpose of the Warrant Agreement and not by any other person or for any other purpose.

7.2 In relying on this opinion, Perceptive agrees that:

(a) (except as set out in paragraph 7.3) it shall not supply this opinion, or disclose its contents or existence, to any person for any purpose; and

(b) only De Brauw shall have any liability in connection with this opinion, the agreement in this paragraph 7.2 and all liability and other matters relating to this opinion shall be governed exclusively by Dutch law and the Dutch courts shall have exclusive jurisdiction to settle any dispute relating to this opinion.

7.3 Perceptive may supply a copy of this opinion:

(a) to any entity which acquires or may potentially acquire from it any rights and obligations under the Facility Agreement in accordance with the Facility Agreement within 6 months after the date of the Facility Agreement;

(b) to its legal advisers on a need-to-know basis;

(c) to the extent required by law (including by legally binding regulation or by a binding order of a competent court or governmental authority) or to establish a defence in any proceeding before a competent court or governmental authority provided that Perceptive:

(i) to the extent permitted by law, has notified De Brauw as soon as reasonably possible that it believes that it may be required or necessary for it by law or necessary for it to establish a defence to disclose (or, if prior notification is not permitted by law or has not reasonably been possible, that it has disclosed) this opinion; and

(ii) in the case of disclosure required by law, upon De Brauw's request, reasonably demonstrates that such disclosure is required by law;

but, in each case, solely for information purposes (and not to be relied upon) and subject to the restrictions set out in paragraph 7.2.

Yours faithfully,
De Brauw Blackstone Westbroek N.V.

[•]

Annex 1 – Definitions

In this opinion:

[**"Board Regulations**" means [•]]

"**Common Shares**" means common shares, with a nominal value of EUR 0.01, in the Company's share capital.

"**Company**" means Affimed N.V., with corporate seat in Amsterdam, the Netherlands.

"**Corporate Resolution**" means each of the Shareholders' Resolutions, each of the Managing Board Resolutions, and the Supervisory Board Resolution.

"**De Brauw**" means De Brauw Blackstone Westbroek N.V.

"**Deed of Conversion**" means the deed of conversion and amendment of the articles of association dated [•], providing for the conversion of the Company into a limited liability company and amendment of the articles of association.

"**Deed of Issue**" means a draft deed of issue dated [•] July 2014 providing for the issue of the Warrant Shares pursuant to the Warrant Agreement.

"**Dutch law**" means the law directly applicable in the Netherlands.

"**Exercise Price**" has the meaning as defined in the Warrant Agreement.

"**Facility Agreement**" means the term facility agreement between Affimed Therapeutics AG and Perceptive dated [•], to which the Company has acceded as guarantor (as defined in that agreement).

"**Insolvency Proceedings**" means insolvency proceedings as defined in Article 2(a) of Council Regulation (EC) No 1346/2000 of 29 May 2000 on insolvency proceedings.

"**Jurisdiction Clause**" means Clause [14] of the Agreement.

"**Managing Board Resolution**" means each of:

(a) A written resolution by the Company's managing board dated 17 July 2014, to enter into the Facility Agreement (the "**Management Board Resolution A**").

(b) A written resolution by the Company's managing board dated [•] 2014, to enter into and execute the Warrant Agreement and thereby to grant the right to subscribe to [•] common shares to Perceptive and to exclude the pre-emptive rights (*voorkeursrechten*) in respect thereof, subject to approval by the Company's supervisory board (the " **Warrant Managing Board Resolution**").

"**Perceptive**" [means PCOF 1 LLC, a limited liability company organised under the laws of [•]].

"**Shareholders Register**" means the Company's shareholders register.

"**Shareholder Resolution**" means each of:

(a) a written resolution of the Company's general meeting of shareholders dated 17 July 2014 to approve Managing Board Resolution A.

(b) a written resolution of the Company's general meeting of shareholders dated [•] 2014, to authorise the Management Board for a period of 5 years to:

(i) resolve to issue common shares (either in the form of stock dividend or otherwise) and/or grant rights to acquire common shares in the share capital of the Company, for a maximum of common shares that can be issued under the size of the authorised share capital of the Company as this will read at the date of adoption of the resolution to issue and/or grant rights to acquire these shares; and

(ii) resolve to restrict and/or exclude the pre-emptive rights (*voorkeursrechten*) accruing to shareholders in respect of an issuance of common shares or granting of rights to acquire common shares in relation to any issuance or granting of rights as referred to under (i) immediately above.

"**Supervisory Board Resolution**" means a written resolution of the Company's supervisory board dated [•] to approve the Warrant Managing Board Resolution.

"**the Netherlands**" means the part of the Kingdom of the Netherlands located in Europe.

"**Trade Register Extract**" means a Trade Register extract relating to the Company provided by the Chamber of Commerce and dated [•].

"**Warrant Agreement**" means the warrant agreement, entered into by the Company pursuant to the Facility Agreement, dated [•].

"**Warrant Documents**" means the Warrant Agreement and the Deed of Issue.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the use of our report dated May 23, 2014 included herein and to the reference to our firm under the heading “Experts” in the prospectus.

Our report dated May 23, 2014 contains an explanatory paragraph that states that Affimed Therapeutics AG has suffered recurring losses from operations and has a net capital deficiency, which raise substantial doubt about its ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of that uncertainty.

/s/ KPMG AG Wirtschaftsprüfungsgesellschaft

Leipzig, Germany

August 19, 2014

Exhibit 23.6

Consent of Independent Registered Public Accounting Firm

We consent to the use of our report dated August 18, 2014, included herein and to the reference to our firm under the heading “Experts” in the prospectus.

Our report dated August 18, 2014 refers to the audit of the statement of financial position of Affimed Therapeutics B.V. for the period ended June 30, 2014.

/s/ KPMG AG Wirtschaftsprüfungsgesellschaft

Leipzig, Germany

August 19, 2014

Exhibit 99.5

Consent of Director Nominee

Affimed Therapeutics B.V. is filing a Registration Statement on Form F-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), in connection with the initial public offering of its common shares. In connection therewith, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the supervisory board of Affimed Therapeutics B.V. in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

/s/ Ferdinand Verdonck

Name: Ferdinand Verdonck
Date: July 17, 2014

Exhibit 99.6

Consent of Director Nominee

Affimed Therapeutics B.V. is filing a Registration Statement on Form F-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), in connection with the initial public offering of its common shares. In connection therewith, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the supervisory board of Affimed Therapeutics B.V. in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

/s/ Berndt Modig

Name: Berndt Modig
Date: July 20, 2014