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

FORM 6-K

Report of Foreign Private
Issuer
Pursuant to Rule 13a-16 or
15d-16 of
the Securities Exchange Act
of 1934

For the month of August,
2019

Commission File Number:
001-36619

Affimed N.V.

Im Neuenheimer Feld 582,
69120 Heidelberg,
Germany
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

INCORPORATION BY REFERENCE

Exhibits 99.1 and 99.2 to this Report on Form 6-K shall be deemed to be incorporated by reference into the registration statements on Form F-3 (Registration Number 333-227933) and Form S-8 (Registration Numbers 333-198812) of Affimed N.V. and to be a part thereof from the date on which this report is filed, to the extent not superseded by documents or reports subsequently filed or furnished.

Exhibit 99.3 to this Report on Form 6-K shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in Heidelberg, Germany, August 7, 2019.

AFFIMED N.V.

By: /s/ Adi Hoess
Name: Adi Hoess
Title: Chief Executive Officer

By: /s/ Florian Fischer
Name: Florian Fischer
Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit	Description of Exhibit
99.1	Affimed N.V. Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2019
99.2	Affimed N.V. Management's Discussion and Analysis of Financial Condition and Results of Operations
99.3	Affimed N.V. Press Release dated August 7, 2019

AFFIMED N.V.
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Affimed N.V.
Unaudited consolidated statements of comprehensive income / (loss) (in € thousand)

	Note	For the three months ended June 30		For the six months ended June 30	
		2019	2018	2019	2018
Revenue	3	**4,008**	**150**	**15,361**	**682**
Other income – net		197	49	283	38
Research and development expenses		(11,545)	(7,149)	(19,532)	(13,545)
General and administrative expenses		(2,342)	(2,164)	(4,776)	(4,202)
Operating income / (loss)		**(9,682)**	**(9,114)**	**(8,664)**	**(17,027)**
Finance income / (costs) – net	4	**(654)**	**1,100**	**180**	**811**
Income / (loss) before tax		**(10,336)**	**(8,014)**	**(8,484)**	**(16,216)**
Income taxes		(4)	—	(4)	(1)
Income / (loss) for the period		**(10,340)**	**(8,014)**	**(8,488)**	**(16,217)**
Other comprehensive income / (loss)					
Items that will not be reclassified to profit or loss					
Equity investments at fair value OCI – net change in fair value	5	(49)	406	24	211
Other comprehensive income / (loss)		**(49)**	**406**	**24**	**211**
Total comprehensive income / (loss)		**(10,389)**	**(7,608)**	**(8,464)**	**(16,006)**
Earnings / (loss) per share in € per share (undiluted = diluted)		**(0.17)**	**(0.13)**	**(0.14)**	**(0.28)**
Weighted number of common shares outstanding		**62,439,363**	**62,390,068**	**62,434,734**	**58,614,053**

The Notes are an integral part of these consolidated financial statements.

Affimed N.V.
Consolidated statements of financial position (in € thousand)

	Note	June 30, 2019 (unaudited)	December 31, 2018
ASSETS			
Non-current assets			
Intangible assets		168	56
Leasehold improvements and equipment		1,960	1,414
Long term financial assets	5	3,849	3,825
Right-of-use assets	2	653	—
		6,630	5,295
Current assets			
Cash and cash equivalents		63,987	94,829
Financial assets	6	23,726	13,974
Trade and other receivables		1,471	1,429
Inventories		330	260
Other assets		2,973	387
		92,487	110,879
TOTAL ASSETS		**99,117**	**116,174**
EQUITY AND LIABILITIES			
Equity			
Issued capital		624	624
Capital reserves		240,235	239,055
Fair value reserves		2,618	2,594
Accumulated deficit		(210,632)	(202,144)
Total equity	**7**	**32,845**	**40,129**
Non current liabilities			
Borrowings	10	323	1,690
Contract liabilities		39,138	37,512
Lease liabilities		246	—
Total non-current liabilities		**39,707**	**39,202**
Current liabilities			
Trade and other payables		7,541	9,425
Provisions	9	1,440	—
Borrowings	10	3,552	3,083
Lease liabilities		377	—
Contract liabilities		13,655	24,335
Total current liabilities		**26,565**	**36,843**
TOTAL EQUITY AND LIABILITIES		**99,117**	**116,174**

The Notes are an integral part of these consolidated financial statements.

Affimed N.V.
Unaudited consolidated statements of cash flows (in € thousand)

	Note	For the six months ended June 30 2019	2018
Cash flow from operating activities			
Income / (loss) for the period		(8,488)	(16,217)
Adjustments for the period:			
- Income taxes		4	1
- Depreciation and amortisation		423	199
- Net gain from disposal of leasehold improvements and equipment		(9)	—
- Share based payments	8	1,167	937
- Finance income / costs – net	4	(180)	(811)
		(7,083)	(15,891)
Change in trade and other receivables		228	88
Change in inventories		(70)	(26)
Change in other assets		(2,586)	(1,159)
Change in trade, other payables, provisions and contract liabilities		(9,484)	1,970
Cash used in operating activities		(18,995)	(15,018)
Interest received		188	58
Paid interest		(134)	(196)
Net cash used in operating activities		**(18,941)**	**(15,156)**
Cash flow from investing activities			
Purchase of intangible assets		(142)	(26)
Purchase of leasehold improvements and equipment		(755)	(298)
Cash received from the sale of leasehold improvements and equipment		—	1
Cash paid for investments in financial assets		(35,262)	—
Cash received from maturity of financial assets		25,748	—
Net cash used for investing activities		**(10,411)**	**(323)**
Cash flow from financing activities			
Proceeds from issue of common shares		13	25,042
Transaction costs related to issue of common shares		—	(1,686)
Proceeds from borrowings	10	562	—
Repayment of lease liabilities		(206)	—
Repayment of borrowings	10	(1,649)	(1,500)
Cash flow from financing activities		**(1,280)**	**21,856**
Exchange-rate related changes of cash and cash equivalents		**(210)**	**1,198**
Net changes to cash and cash equivalents		**(30,632)**	**6,377**
Cash and cash equivalents at the beginning of the period		**94,829**	**39,837**
Cash and cash equivalents at the end of the period		**63,987**	**47,412**

The Notes are an integral part of these consolidated financial statements.

Affimed N.V.
Unaudited consolidated statements of changes in equity (in € thousand)

	Note	Issued capital	Capital reserves	Fair Value reserves	Accumulated deficit	Total equity
Balance as of January 1, 2018		**468**	**213,778**	**7,325**	**(182,667)**	**38,904**
Issue of common shares		156	23,190			23,346
Equity-settled share based payment awards	8		937			937
Loss for the period					(16,217)	(16,217)
Other comprehensive income				211		211
Balance as of June 30, 2018		**624**	**237,905**	**7,536**	**(198,884)**	**47,181**
Balance as of January 1, 2019		**624**	**239,055**	**2,594**	**(202,144)**	**40,129**
Exercise of share based payment awards			13			13
Equity-settled share based payment awards	8		1,167			1,167
Loss for the period					(8,488)	(8,488)
Other comprehensive income				24		24
Balance as of June 30, 2019		**624**	**240,235**	**2,618**	**(210,632)**	**32,845**

The Notes are an integral part of these consolidated financial statements.

1. Reporting entity

Affimed N.V. is a Dutch company with limited liability (*naamloze vennootschap*) and has its corporate seat in Amsterdam, the Netherlands. The consolidated financial statements are comprised of Affimed N.V., and its controlled (and wholly owned) subsidiaries Affimed GmbH, Heidelberg, Germany, AbCheck s.r.o., Plzen, Czech Republic, Affimed Inc., Delaware, USA and AbCheck Inc., Delaware, USA (together "Affimed", "the Company" or the "Group").

Affimed is a clinical-stage biopharmaceutical company focused on discovering and developing highly targeted cancer immunotherapies. The Group's product candidates are 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. Affimed has its own research and development programs, strategic collaborations and service contracts, where the Group is performing research services for third parties.

2. Basis of preparation and changes to Group's accounting policies

Statement of compliance

The interim financial statements for the three and six months ended June 30, 2019 and 2018 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with Affimed N.V.'s annual consolidated financial statements as of December 31, 2018.

The interim financial statements were authorized for issuance by the management board on August 7, 2019.

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 Company's accounting policies were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2018 except for the following:

As a result of the first-time adoption of IFRS 16 on January 1, 2019, the Company recognized right-of-use assets of €0.7 million. The right-of-use model requires management to make significant judgements related to extension and termination options as well as the applied discount rate.

In the second quarter of 2019, Affimed decided to terminate the Phase 1 clinical program of AFM11, a CD19/CD3-targeting bispecific T cell engager as a part of its strategic plans. The Group's obligations to third parties related to the termination of the program were estimated to be €1.4 million (see note 9).

Functional and presentation currency

These interim financial statements are presented in Euro, which is the Company's functional currency. All financial information presented in Euro has been rounded to the nearest thousand (abbreviated €) or million (abbreviated € million).

Significant accounting policies

The accounting policies applied by the Company in these interim financial statements are the same as those applied by the Company in its consolidated financial statements as at and for the year ended December 31, 2018 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 annual periods beginning on or after January 1, 2019, and have been applied (if relevant) in preparing these financial statements:

Standard/interpretation	Effective Date
IFRS 16 Leases	January 1, 2019
Amendments to IFRS 9: Prepayment Features with Negative Compensation	January 1, 2019
Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures	January 1, 2019
Annual Improvements to IFRS Standards 2015-2017 Cycle	January 1, 2019
Amendments to IAS 19: Plan Amendment, Curtailment or Settlement	January 1, 2019
IFRIC 23 Uncertainty over Income Tax Treatments	January 1, 2019

Affimed has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings as of January 1, 2019. Accordingly, any comparative information presented for any periods in 2018 has not been

restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The nature and effect of the application of IFRS 16 are summarized below. The other amendments had no effect on the interim consolidated financial statements of the Company.

The new standard specifies how to recognize, measure, present and disclose lease agreements. The standard provides a single lessee accounting model, requiring lessees to recognize right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies.

Under IAS 17, Affimed determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 ´Determining Whether an Arrangement contains a Lease´. Under IFRS 16, Affimed now assesses whether a contract is or contains a lease based on the new definition of a lease. This definition says that a contract is or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

Transition

On transition to IFRS 16, Affimed elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were previously not identified as leases were not reassessed.

As a lessee, Affimed previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, Affimed recognizes right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

At transition, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rates for similar assets as of January 1, 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

However, Affimed has elected not to recognize right-of-use assets and lease liabilities for some short-term leases (leases with less than 12 months of lease term). Lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Affimed presents right-of-use assets in a separate line item from the line item "Leasehold improvements and equipment" that presents other assets of the same nature that Affimed owns. The carrying amounts of right-of-use assets are below.

January 1 to June 30, 2019		**Carrying amount**	
	Buildings	**Cars**	**Total**
Balance as of January 1, 2019	695	22	717
Balance as of June 30, 2019	638	15	653

Significant Accounting Policies

Affimed recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Affimed's incremental borrowing rate. Generally, Affimed uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Affimed has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether Affimed is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

Impacts on Transition

On transition to IFRS 16, the Company recognized additional right-of-use assets, including property, plant and equipment and additional lease liabilities. The impact on transition is summarized below.

	January 1, 2019
Right-of-use assets	717
Lease liabilities	717

The Group discounted lease payments using a weighted average discount rate of 4.05% as of January 1, 2019.

In relation to those leases under IFRS 16, Affimed has recognized depreciation and interest costs, instead of operating lease expense. During the six months ended June 30, 2019, the Group recognized depreciation expense for right-of-use assets of €174 and interest cost related to the lease liability of €12 instead of operating lease expense of €186.

The transition between operating lease commitments disclosed applying IAS 17 as of December 31, 2018 and the lease liabilities recognized in the statement of financial position at the date of initial application, January 1, 2019, is shown below.

	January 1, 2019
Operating lease commitment as of December 31, 2018	1,154
Recognition exemption for short-term leases	(98)
Payments for incidental rental costs and other rental payments (Not part of the lease)	(312)
Discounting using the incremental borrowing rate as of January 1, 2019	(27)
Lease liabilities as of January 1, 2019	**717**

Fair Value Measurement

All assets and liabilities for which fair value is recognized in the interim financial statements are classified 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, certificates of deposit, cash and cash equivalents, trade and other payables and provisions is a reasonable approximation of the fair value and therefore, information about the fair values of those financial instruments has not been disclosed. The measurement of the fair value of the shares held by the Group and note disclosure for the fair value of a loan (financial liability) is based on level 2 measurement procedures (see notes 5 and 10).

New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations are effective for annual periods beginning after December 31, 2018 and have not been applied in preparing these consolidated financial statements.

Standard/interpretation	Effective Date
Amendments to References to the Conceptional Framework	January 1, 2020
Amendments to IAS 1 and IAS 8: Definition of Material	January 1, 2020

3. Revenue

Collaboration agreement The Leukemia & Lymphoma Society (LLS)

Affimed is party to a collaboration with LLS to fund the development of a specific product candidates (immune cell engagers). 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 not to 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.

In June 2016, the research funding agreement with LLS was amended to reflect a shift to the development of combination therapeutic approaches so that the milestones relate primarily to the development of a combination therapy.

During the six months ended June 30, 2018, the Company recognized revenue totalling €0.2 million.

Collaboration with Genentech Inc.

In August 2018, Affimed entered into a strategic collaboration agreement with Genentech Inc., headquartered in South San Francisco, USA. Under the terms of the agreement, Affimed will develop novel NK cell engager-based immunotherapeutics to treat multiple cancers. The Genentech agreement became effective at the beginning of October 2018. Affimed received $96.0 million (€83.2 million) in initial upfront and committed funding on October 31, 2018. In the second quarter of 2019, the Group received a payment upon achievement of a preclinical milestone.

The Group recognized €3.7 and €14.3 million as revenue during the three and six months ended June 30, 2019 and an amount of €52.5 million in contract liabilities as of June 30, 2019, which will be recognized as revenue in subsequent periods.

Under the terms of the agreement, Affimed is eligible to receive up to an additional $5.0 billion over time, including payments upon achievement of specified development, regulatory and commercial milestones. Affimed is also eligible to receive royalties on any potential sales.

Research service agreements

AbCheck has entered into certain research service agreements. These research service agreements provide for non-refundable upfront technology access research funding or capacity reservation fees and milestone payments. The Company recognized €0.3 million and €1.1 million, respectively, as revenue in the three and six months ended June 30, 2019 (2018: €0.2 and €0.5 million).

Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers.

	June 30, 2019	December 31, 2018
Receivables	135	210
Contract liabilities	52,793	61,847

Amounts of €3,939 and €9,480 that were recognized in contract liabilities at the beginning of the period have been recognized as revenue during the three and six months ended June 30, 2019.

The remaining performance obligations at June 30, 2019 are approximately €52.8 million and are expected to be recognized as revenue to a large extent over the next two years.

Disaggregation of revenue

Geographic information	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
Revenue:				
Germany	—	11	—	31
Europe	325	47	1,077	318
USA	3,683	92	14,284	333
	4,008	150	15,361	682

Major service lines	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
Collaboration revenue	3,683	—	14,284	205
Service revenue	325	150	1,077	477
	4,008	150	15,361	682

Timing on revenue recognition	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
Point in time	—	—	5,633	355
Over time	4,008	150	9,728	327
	4,008	150	15,361	682

4. Finance income and finance costs

In € thousand	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
Interest SVB Loan Agreement	(128)	(223)	(283)	(466)
Foreign exchange differences	(728)	1,278	28	1,203
Other finance income/finance costs	202	45	435	74
Finance income/costs - net	(654)	1,100	180	811

5. Long term financial assets

The Company holds preferred shares in Amphivena recognized at their fair value of €3.8 million. The fair value increased by €24 due to exchange rate differences recognized in other comprehensive income in the six months ended June 30, 2019.

6. Financial assets

As of June 30, 2019 and December 31, 2018, financial assets consisted of U.S. Dollar denominated certificates of deposit with original maturities of more than three months.

7. Equity

As of June 30, 2019, the share capital of €624 (December 31, 2018: €624) is divided into 62,440,213 (December 31, 2018: 62,430,106) common shares with a par value of €0.01 per share.

8. Share-based payments

In 2014, an equity-settled share-based payment program was established by Affimed N.V. ("ESOP 2014"). Under this program, the Company granted awards to certain members of the Management Board, the Supervisory Board, non-employee consultants and employees.

Share based payments with service condition

The majority of the awards vest in instalments over three years and can be exercised up to 10 years after the grant date. The Group granted 1,081,250 and 1,578,053 awards in the three and six months ended June 30, 2019 to employees, the Management Board and the Supervisory Board. In the three and six months ended June 30, 2019, 4,164 ESOP 2014 awards were cancelled or forfeited due to termination of employment, and 10,107 options were exercised. As of June 30, 2019, 7.5 million awards (December 31, 2018: 5.9 million) ESOP 2014 options were outstanding, and 4.0 million awards (December 31, 2018: 2.8 million awards) had vested. The options outstanding as of June 30, 2019 had an exercise price in the range of $1.30 to $13.47.

Share based payments with market condition

On April 20, 2018, Affimed issued 240,000 options, of which each grant consists of three tranches that vest when the volume-weighted average share price (measured based on Affimed closing share prices over the preceding fifteen trading days) reaches a certain hurdle ($6.15, $8.20 and $10.25). Fair value of the awards at grant date amounts to €133 ($164 thousand) and the contractual life time of the options is two years. As of June 30, 2019, no options were exercisable.

Share based payment expense

In the three and six months ended June 30, 2019, compensation expense of €566 and €1,167 was recognized affecting research and development expenses (€231 and €500) and general and administrative expenses (€335 and €667). In the three and six months ended June 30, 2018, compensation expense of €567 and €937 was recognized affecting research and development expenses (€237 and €396) and general and administrative expenses (€330 and €541).

Fair value measurement

The fair value of options was determined using the Black-Scholes valuation model. The significant inputs into the valuation model of share-based payment grants with service conditions are as follows (weighted average):

	June 30, 2019	June 30, 2018
Fair value at grant date	$ 2.11	$ 1.12
Share price at grant date	$ 3.04	$ 1.83
Exercise price	$ 3.04	$ 1.83
Expected volatility	82 %	71 %
Expected life	5.83	5.67
Expected dividends	—	—
Risk-free interest rate	2.14 %	0.11 %

Expected volatility is estimated based on the observed daily share price returns of a peer group measured over a historic period equal to the expected life of the awards.

The risk-free interest rates are based on the yield to maturity of U.S. Treasury strips and German sovereign strips respectively (as best available indication for risk-free rates), for a term equal to the expected life, as measured as of the Grant Date.

9. Provisions

The Group recognized a provision for the termination of the AFM11 program of €1.4 million as of June 30, 2019. The provision was recorded to reflect costs that the Group expects to be obligated to incur for services connected to the termination procedures. These costs are expected to be incurred within the next 12 months.

10. Borrowings

Silicon Valley Bank

On November 30, 2016, the Company entered into a loan agreement with Silicon Valley Bank (the "SVB loan") which provides the Company with a senior secured term loan facility for up to €10.0 million, which agreement was amended in May 2017 to provide that such amount would be available in three tranches. In December 2016, the Company drew an initial tranche of €5.0 million and in May 2017, a second tranche of €2.5 million; the availability of a third tranche of €2.5 million expired in September 2017 with such amount remaining undrawn.

Finance costs comprise the interest rate of one-month EURIBOR plus an applicable margin of 5.5%, with a floor of 5.5%, related one-time legal and arrangement fees of €236 and a final payment fee equal to 10% of the total principal amount to be paid with the last instalment. Pursuant to the loan agreement, the Company also granted the lender 166,297 and 53,395 warrants with an exercise price of $2.00 and $2.30 per share, respectively. Each warrant can be used to purchase common shares of Affimed at the respective exercise price for a period of ten years from the date of grant. The fair value of the warrants of €192 less deferred taxes and transaction costs of €81 and €8, respectively, was recorded as an addition to capital reserves in the equity of Affimed. The fair value of the warrants was determined using the Black-Scholes-Merton valuation model, with an expected volatility of 75-80% and an expected exercise period of five years to exercise of the warrant. The contractual maturity of the warrants is ten years.

The loan is secured by a pledge of 100% of Company's ownership interest in Affimed GmbH, all intercompany claims owed to Affimed N.V. by its subsidiaries, and collateral agreements for all bank accounts, inventory, trade receivables and other receivables of Affimed N.V. and Affimed GmbH recognized in the consolidated financial statements.

As of June 30, 2019 and December 31, 2018, the fair value of the liability did not differ significantly from its carrying amount (€3,461 and €4,773). The loan has a maturity date of May 31, 2020, and repayment started in December 2017 with amortized payments of principal and interest in equal monthly instalments. As of June 30, 2019 €3,461 (December 31, 2018: €3,083) was classified as current liabilities.

UniCredit Leasing CZ

In April 2019 the Group entered into a loan agreement with UniCredit Leasing CZ for €562. After an initial instalment of €127 in the second quarter of 2019, repayment is effected in monthly instalments of €8 until November 2023. As of June 30, 2019 €413 was outstanding, €90 of which was classified as current liabilities.

11. Related parties

The supervisory directors of Affimed N.V. received compensation for their services on the supervisory board of €100 and €195 (€93 and €185), remuneration of managing directors and other key management personnel amounted to €708 and €1,414 (€577 and €1,073) in the three and six months ended June 30, 2019 (2018). The Group incurred termination expenses of €264 related to the former CSO, Martin Treder, who will continue as consultant to the Group.

The Group recognized share-based payment expenses of €19 and €40 (€11 and €23) for supervisory directors and €320 and €723 (€436 and €681) for managing directors in the three and six months ended June 30, 2019 (2018).

The following table provides the transaction amounts and outstanding balances for supervisory board remuneration.

	Transaction volume				Outstanding balances	
	Three months ended June 30, 2019	Six months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2018	June 30, 2019	December 31, 2018
Dr. Ulrich Grau	17	32	16	32	20	21
Dr. Thomas Hecht	32	59	29	59	21	21
Dr. Richard Stead	—	—	10	21	—	—
Berndt Modig	12	24	12	22	9	10
Ferdinand Verdonck	14	28	15	29	10	11
Dr. Bernhard Ehmer	14	28	10	21	17	17
Mathieu Simon	13	24	—	1	9	—

AFFIMED N.V.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management's discussion and analysis is designed to provide you with a narrative explanation of our financial condition and results of operations. We recommend that you read this in conjunction with our unaudited interim condensed consolidated financial statements for the three and six month periods ended June 30, 2019 and 2018 included as Exhibit 99.1 to the Report on Form 6-K in which this discussion is included. We also recommend that you read our management's discussion and analysis and our audited consolidated financial statements for fiscal year 2018, and the notes thereto, which appear in our Annual Report on Form 20-F for the year ended December 31, 2018 (the "Annual Report") filed with the U.S. Securities and Exchange Commission (the "SEC").

Unless otherwise indicated or the context otherwise requires, all references to "Affimed" or the "company," "we," "our," "ours," "us" or similar terms refer to Affimed N.V. and its subsidiaries.

We prepare and report our consolidated financial statements and financial information in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB"). None of our financial statements were prepared in accordance with generally accepted accounting principles in the United States. We maintain our books and records in euros. We have made rounding adjustments to some of the figures included in this management's discussion and analysis. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them. Unless otherwise indicated, all references to currency amounts in this discussions and analysis are in euros.

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 innate immune cells (Natural Killer cells, or NK cells and macrophages) and T cells. Leveraging our fit-for-purpose ROCK® (Redirected Optimized Cell Killing) platform, we develop proprietary, next-generation bispecific antibodies, so-called immune cell engagers, which are designed to direct and establish a bridge between either innate immune cells or T cells and cancer cells. Our immune cell engagers have the ability to bring innate immune 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 immune cell engagers bind to their targets with high affinity and have half-lives that allow regular intravenous administration, with different dosing schemes being explored to allow for improved exposure in heavily pretreated patient populations. Antibodies developed from our ROCK® platform include molecules which we refer to as immune cell engagers. We believe, based on their mechanism of action and the preclinical and clinical data we have generated to date, that our product candidates, alone or in combination, may ultimately improve response rates, clinical outcomes and survival in cancer patients and could eventually become a cornerstone of modern targeted oncology care. Building on our leadership in the innate immune cell space, we are also developing novel tetravalent, bispecific antibody formats with the potential to tailor immune-engaging therapy to different indications and settings.

To date, we have financed our operations primarily through our public offerings of our common shares, private placements of equity securities, the incurrence of loans including convertible loans and through government grants and payments for collaborative research and development services. Through June 30, 2019, we have raised an aggregate of approximately €227.1 million (gross proceeds) through the issuance of equity and incurrence of loans. To date, we have not generated any revenues from product sales or royalties. Based on our current plans, we do not expect to generate product or royalty revenues unless and until we or any collaboration partner obtain marketing approval for, and commercialize, any of our product candidates.

We have generated losses since we began our drug development operations in 2000. As of June 30, 2019, we had an accumulated deficit of €210.6 million.

Independent of the recently closed collaboration with Genentech and the income earned for the three and six month periods ended June 30, 2019, 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.

In 2009, we formed AbCheck, our 100% owned, independently run antibody screening platform company, located in the Czech Republic. AbCheck is devoted to the generation and optimization of fully human antibodies. Its technologies include a naïve human antibody library combined with phage and yeast display antibody library, a proprietary algorithm to optimize affinity, stability and manufacturing efficiency and a mass humanization technology to discover and optimize high-quality human antibodies. 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 been working with globally active pharmaceutical and biotechnology companies such as Tusk Therapeutics, bluebird bio, Eli Lilly, Daiichi Sankyo, Pierre Fabre and others.

We have one U.S. subsidiary, Affimed Inc. with senior employees in investor relations, business development, corporate strategy and clinical operations and AbCheck s.r.o. has one U.S. subsidiary, AbCheck Inc.

Recent Developments

In May 2019, Dr. Martin Treder informed us that he intends to step down from his position as Chief Scientific Officer to pursue new opportunities. Dr. Treder will continue as a consultant to the Company.

In line with the strategic focus on our innate immunity portfolio, we have made the decision to terminate the Phase 1 clinical program of AFM11, a CD19/CD3-targeting bispecific T cell engager. This decision took into consideration the competitive landscape of B-cell directed therapies currently in development and associated resources needed for further development of AFM11. In May 2019, we received notification from the FDA that additional data would be needed to determine whether the AFM11 clinical hold may be lifted. We have informed the FDA of our intention to terminate the clinical program. We have determined that the optimal use of our resources at this time is to focus on the development of our innate cell engagers in indications with high unmet need and the potential for a rapid path to regulatory approval. We have accrued costs for the termination of the Phase 1 clinical program of AFM11 totaling €1.4 million as of June 30, 2019.

At the Annual General Meeting held in June 2019, the shareholders of Affimed approved all agenda items, including the reappointment of a Supervisory Director, Dr. Bernhard Ehmer.

In July 2019, we announced that we have been added to the Russell 2000®, Russell 3000®, and Russell Microcap® Indexes, effective after the U.S. markets closed on Friday, June 28, 2019 as part of Russell's annual index rebalance process.

Collaboration and License Agreements

There have been no material changes to our license agreements from those reported in "Management's Discussion and Analysis of Financial Condition and Results of Operations–License Agreements" in the Annual Report.

Research and Development Expense

We will use our existing liquidity primarily to fund research and development expense. Our research and development expense is highly dependent on the development phases of our research projects and therefore fluctuates highly from period to period. Our research and development expense mainly relates to the following key programs:

- *AFM13.* We initiated a phase 1b study investigating the combination of AFM13 with Merck's anti-PD-1 antibody Keytruda® (pembrolizumab) in patients with relapsed/refractory HL in 2016. In this study, enrollment is complete and final data were recently presented. Different dosing protocols are being explored in the investigator-initiated monotherapeutic phase 2a clinical trial of AFM13 in relapsed/refractory Hodgkin Lymphoma, or relapsed/refractory HL, to allow for improved exposure in more heavily pretreated patient populations. The study is open and recruiting under the new study design. In addition, we are conducting a clinical study of AFM13 in patients with CD30+ lymphoma. We anticipate that our research and development expenses in the remainder of 2019 for AFM13 will increase compared to those for the first half of 2019 due to the initiation of additional clinical studies, pre-clinical studies with collaboration partners and the preparation of the production of AFM13 for commercial purposes.

- *AFM11.* The phase 1 clinical trial of AFM11 in patients with non-Hodgkin Lymphoma, or NHL, was recruiting until the beginning of October 2018. A phase 1 clinical study of AFM11 in patients with ALL commenced in the third quarter of 2016 and was enrolling until the beginning of October 2018, when both trials were placed on clinical hold and recruitment stopped. In line with the strategic focus on our innate immunity portfolio, we have made the decision to terminate the Phase 1 clinical program of AFM11. This decision took into consideration the competitive landscape of B-cell directed therapies currently in development and associated resources needed for further development of AFM11. In May 2019, we received notification from the FDA that additional data would be needed to determine whether the AFM11 clinical hold may be lifted. We subsequently informed the FDA of our intention to terminate the clinical program.

- *Other projects and infrastructure costs.* Our other research and development expenses relate to our preclinical studies of our solid tumor candidate, AFM24, our multiple myeloma program AFM26 (through the third quarter of 2018), our Genentech collaboration and early stage development / discovery activities. We have allocated a material amount of our resources to such discovery activities. The expenses mainly consist of salaries, manufacturing costs for pre-clinical study material and pre-clinical studies. In addition, 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. We assume that other projects and infrastructure costs will increase in the remainder of 2019.

Results of Operations

The financial information shown below was derived from our unaudited interim condensed consolidated financial statements for the three and six month periods ended June 30, 2019 and 2018. The discussion below should be read along with these financial statements, and it is qualified in its entirety by reference to them.

Comparison of the three months ended June 30, 2019 and 2018

	Three months ended June 30,	
	2019	2018
	(unaudited) (in € thousand)	
Total Revenue:	4,008	150
Other income (expenses)—net	197	49
Research and development expenses	(11,545)	(7,149)
General and administrative expenses	(2,342)	(2,164)
Operating loss	(9,682)	(9,114)
Finance income/(costs)—net	(654)	1,100
Loss before tax	(10,336)	(8,014)
Income taxes	(4)	0
Loss for the period	(10,340)	(8,014)
Other comprehensive income	(49)	406
Total comprehensive loss	(10,389)	(7,608)
Loss per common share in € per share (undiluted)	(0.17)	(0.13)
Loss per common share in € per share (diluted)	(0.17)	(0.13)

Revenue

Revenue increased to €4.0 million in the three months ended June 30, 2019 from €0.2 million for the three months ended June 30, 2018. Revenue in the three months ended June 30, 2019 predominantly relate to the Genentech collaboration (€3.7 million), while revenue in the three months ended June 30, 2018 solely included revenue generated by AbCheck. Revenue from the Genentech collaboration in the three months ended June 30, 2019 was recognized for collaborative research services performed during the quarter.

Research and development expenses

R&D Expenses by Project	Three months ended June 30,		Change %
	2019	2018	
	(unaudited) (in € thousand)		
Project			
AFM13	3,965	2,121	87 %
AFM11	1,637	1,842	(11)%
Other projects and infrastructure costs	5,712	2,949	94 %
Share-based payment expense	231	237	(3)%

Total	**11,545**	**7,149**	61 **%**

Research and development expenses amounted to €11.5 million in the three months ended June 30, 2019 compared to research and development expenses of €7.1 million in the three months ended June 30, 2018. The variances in project-related expenses between the three months ended June 30, 2019 and the corresponding period in 2018 are mainly due to the following projects:

- *AFM13.* In the three months ended June 30, 2019 we incurred higher expenses (87%) than in the three months ended June 30, 2018 primarily due to higher expenses for the preparation of new clinical trials and manufacturing activities for clinical trial material.

- *AFM11.* In the three months ended June 30, 2019, research and development expenses were slightly lower (11%) compared to the three months ended June 30, 2018. Expenses in the three months ended June 30, 2019 primarily consist of accrued costs for the termination of the phase 1clinical program of AFM11 totaling €1.4 million.

- *Other projects and infrastructure costs.* In the three months ended June 30, 2019, expenses were significantly higher (94%) than in the three months ended June 30, 2018 primarily due to higher expenses incurred in relation to our discovery/early stage development activities and infrastructure costs.

General and administrative expenses

General and administrative expenses were slightly higher and amounted to €2.3 million in the three months ended June 30, 2019 compared to €2.2 million in the three months ended June 30, 2018.

Finance income / (costs)-net

Finance costs for the three months ended June 30, 2019 totaled €0.7 million, compared to finance income of €1.1 million for the three months ended June 30, 2018. Finance costs in the three months ended June 30, 2019 primarily include foreign exchange losses of €0.7 million, while finance income in the three months ended June 30, 2018 primarily include foreign exchange gains of €1.3 million.

Comparison of the six months ended June 30, 2019 and 2018

	Six months ended June 30,	
	2019	**2018**
	(unaudited)	
	(in € thousand)	
Total Revenue:	15,361	682
Other income/(expenses)—net	283	38
Research and development expenses	(19,532)	(13,545)
General and administrative expenses	(4,776)	(4,202)
Operating loss	(8,664)	(17,027)
Finance income/(costs)—net	180	811
Loss before tax	(8,484)	(16,216)
Income taxes	(4)	(1)
Loss for the period	(8,488)	(16,217)
Other comprehensive income	24	211
Total comprehensive loss	(8,464)	(16,006)
Loss per common share in € per share (undiluted)	(0.14)	(0.28)
Loss per common share in € per share (diluted)	(0.14)	(0.28)

Revenue

Revenue increased from €0.7 million in the six months ended June 30, 2018 to €15.4 million for the six months ended June 30, 2019. Revenue in the six months ended June 30, 2019 predominantly relate to the Genentech collaboration (€14.3 million), while revenue in the six months ended June 30, 2018 primarily included revenue generated by AbCheck. Revenue from the Genentech collaboration in the six months ended June 30, 2019 was recognized for collaborative research services performed during the first half of the year and the achievement of a preclinical milestone in the three months ended March 31, 2019.

Research and development expenses

R&D Expenses by Project	**Six months ended June 30,**		**Change %**
	2019	**2018**	
	(unaudited)		
	(in € thousand)		
Project			
AFM13	6,608	3,411	94 %
AFM11	1,995	3,037	(34)%
Other projects and infrastructure costs	10,429	6,701	56 %
Share-based payment expense	500	396	26 %
Total	**19,532**	**13,545**	44 **%**

Research and development expenses increased from €13.5 million in the six months ended June 30, 2018 to €19.5 million in the six months ended June 30, 2019. The variances in project-related expenses between the six months ended June 30, 2019 and the corresponding period in 2018 are mainly due to the following projects:

- *AFM13.* In the six months ended June, 2019, we incurred significantly higher expenses than in the six months ended June 30, 2018 primarily due to higher expenses for the preparation of new clinical trials and manufacturing activities for clinical trial material.

- *AFM11.* In the six months ended June 30, 2019, research and development expenses were lower than in the six months ended June 30, 2018. The majority of the expenses in the six months ended June 30, 2019 are related to costs of €1.4 million for the termination of the phase 1 clinical program of AFM11.

- *Other projects and infrastructure costs.* In the six months ended June 30, 2019, expenses were significantly higher compared to the previous year primarily due to higher expenses incurred in relation to our earlier stage programs and discovery/early stage development activities and infrastructure costs.

General and administrative expenses

General and administrative expenses for the six months ended June 30, 2019 were €4.8 million, compared with €4.2 million for the six months ended June 30, 2018. The amount for 2019 includes share-based compensation of €0.7 million, compared with €0.5 million for the six months ended June 30, 2018.

Finance income / (costs)-net

Finance income for the six months ended June 30, 2019 was €0.2 million, compared with finance income of €0.8 million for the six months ended June 30, 2018. Finance income in the six months ended June 30, 2019 primarily related to net interest income while finance income in the six months ended June 30, 2018 primarily related to foreign exchange gains of €1.2 million.

Liquidity and Capital Resources

Since inception, we have incurred significant operating losses. To date, we have not generated any product sale revenue. We have financed our operations primarily through our public offerings of our common shares, private placements of equity securities and loans, grants and payments from collaboration partners.

Cash flows

The table below summarizes our consolidated statement of cash flows for the six months ended June 30, 2019 and 2018:

	Six months ended June 30,	
	2019	**2018**
	(unaudited) (in € thousand)	
Net cash used in operating activities	(18,941)	(15,156)
Net cash used in investing activities	(10,411)	(323)
Net cash provided by financing activities	(1,280)	21,856
Exchange rate related changes of cash and cash equivalents	(210)	1,198
Net changes to cash and cash equivalents	(30,632)	6,377
Cash and cash equivalents at the beginning of the period	94,829	39,837
Cash and cash equivalents at the end of the period	**63,987**	**47,412**

Net cash used in operating activities of €18.9 million in the six months ended June 30, 2019 is higher than net cash used in operating activities in the six months ended June 30, 2018 (€15.2 million) primarily due to higher cash expenditure for research and development efforts. The investing activities in the six months ended June 30, 2019 primarily relate to investments in and proceeds from the sale or maturity of financial assets, while in the six months ended June 30, 2018 investing activities mainly relate to the purchase of leasehold improvements and equipment. Net cash used in financing activities in the six months ended June 30, 2019 relate primarily to the repayment of borrowings, while net cash generated from financing activities in the six months ended June 30, 2018 relate primarily to the proceeds from the public offering in February 2018 and the issuance of shares in connection with our at-the-market sales agreement.

Cash and Funding Sources

Our cash and cash equivalents and financial assets as of June 30, 2019 were €87.7 million, compared with €108.8 million as of December 31, 2018. Funding sources generally comprise proceeds from the issuance of equity instruments, payments from collaboration agreements, loans and government grants.

Funding Requirements

We expect that we will require additional funding to complete the development of our product candidates and to continue to advance the development of our other product candidates. If we receive regulatory approval for AFM13, AFM24 or other earlier programs, and if we choose not to grant any licenses to partners, we expect to incur significant commercialization expenses related to product manufacturing, sales, marketing and distribution, depending on where we choose to commercialize. We also continue to incur substantial costs associated with operating as a public company. Additional funds may not be available on a timely basis, on favorable terms, or at all, and such funds, if raised, may not be sufficient to enable us to continue to implement our long-term business strategy. If we are not able to raise capital when needed, we could be forced to delay, reduce or eliminate our product development programs or commercialization efforts.

We believe that our existing liquidity will enable us to fund our operating expenses and capital expenditure requirements into 2021. 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 collaboration, licensing, and other arrangements that we may establish, including any required milestone and royalty payments thereunder.

To address our financing needs, we may raise additional capital through the sale of equity or convertible debt securities. In such an event, the ownership interest of our shareholders will be diluted, and the terms of any such securities may include liquidation or other preferences that adversely affect the rights of holders of our common shares.

For more information as to the risks associated with our future funding needs, see “Risk Factors” in the Annual Report.

Contractual Obligations and Commitments

As of the date of this discussion and analysis there are no material changes to our contractual obligations from those reported in “Management’s Discussion and Analysis of Financial Condition and Results of Operations–Contractual Obligations and Commitments” in the Annual Report.

Off-balance Sheet Arrangements

As of the date of this discussion and analysis, we do not have any, and during the periods presented we did not have any, off-balance sheet arrangements other than operating leases as described under “Item 5. Operating and Financial Review and Prospects—F. Tabular disclosure of contractual obligations” in the Annual Report.

Quantitative and Qualitative Disclosures About Market Risk

During the six months ended June 30, 2019, there were no significant changes to our quantitative and qualitative disclosures about market risk from those reported in “Management’s Discussion and Analysis of Financial Condition and Results of Operations–Quantitative and Qualitative Disclosures About Market Risk” in the Annual Report.

Critical Judgments and Accounting Estimates

There have been no material changes to the significant accounting policies and estimates described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Critical Judgments and Accounting Estimates” in the Annual Report.

Recent Accounting Pronouncements

We refer to note 2 of the notes to the unaudited interim condensed consolidated financial statements for the three and six month periods ended June 30, 2019 and 2018 with regard to the impact of recent accounting pronouncements.

JOBS Act Exemption

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 not required to provide an auditor attestation report on our system of internal controls over financial reporting. This exemption will apply for a period of five years following the completion of our initial public offering (through 2019) 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 $1.07 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.

As September 17, 2019 represents the fifth anniversary of the date of the first sale of our common shares pursuant to an effective registration statement under the Securities Act, we will no longer qualify for such status commencing September 17, 2019. As an accelerated filer not entitled to emerging growth company status, we will be subject to certain disclosure requirements that are applicable to other public companies that have not been applicable to us as an emerging growth company, beginning with our Annual Report on Form 20-F filed for the fiscal year ending December 31, 2019. These requirements include, but are not limited to being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act.

Cautionary Statement Regarding Forward Looking Statements

Forward-looking statements appear in a number of places in this discussion and analysis and include, but are not limited to, statements regarding our intent, belief or current expectations. Many of the forward-looking statements contained in this discussion and analysis 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 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 the Annual Report. 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, 2019, our accumulated deficit was €210.6 million;
- the chance our clinical trials may be delayed or put on clinical hold, for example, due to slower than expected enrollment or regulatory actions, or 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 certain of our other product candidates, which are still in clinical development and may eventually prove to be unsuccessful or commercially not exploitable;
- uncertainty surrounding whether any of our product candidates will gain regulatory approval, which is necessary before they can be commercialized;
- the outcome of any, or any discussions we may enter regarding, acquisitions, dispositions, partnerships, license transactions or changes to our capital structure, including our receipt of any milestone payments or royalties or any future securities offerings;
- 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 LLS, Merck, The MD Anderson Cancer Center, Genentech, Amphivena and Amphivena's other investors and partners, including MPM Capital and Tekla Capital Management, 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 ability to scale-up manufacturing processes of our product candidates and reduce the cost of manufacturing our product candidates in advance of any commercialization;
- 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" in the Annual Report.

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.

FOR IMMEDIATE RELEASE

Affimed Reports Second Quarter 2019 Financial and Operational Results

Heidelberg, Germany, August 7, 2019 - Affimed N.V. (Nasdaq: AFMD), a clinical stage biopharmaceutical company committed to giving patients back their innate ability to fight cancer, today reported financial and operating results for the second quarter ended June 30, 2019.

"After reaching agreement with the U.S. Food and Drug Administration on the study protocol design, we are now in the process of preparing to initiate the AFM13 registration-directed Phase 2 study," said Dr. Adi Hoess, Affimed's CEO. "The recent positive final and interim results from two clinical studies of AFM13 add to the growing body of evidence supporting AFM13's activity in CD30-positive lymphoma patients, and give us increased confidence in the potential of AFM13 to demonstrate clinical benefit in CD30-positive peripheral T cell lymphoma. To execute the Phase 2 study and to further advance our internal and partnered CD16A-targeting innate cell engager pipeline, we have significantly strengthened our organization through the addition of multiple key hires in the U.S. and Germany of individuals who have substantial drug development experience."

Corporate Updates

- Affimed strengthened its drug development team with the addition of experienced personnel in several key areas, including Regulatory Affairs, Clinical Development and Operations, Drug Safety, Chemistry, Manufacturing and Control (CMC), Drug Safety & Pharmacovigilance, Biostatistics and Commercial Strategy. The new hires previously held positions at Novartis, Pfizer Inc., Abbott, Eli Lilly and Company and other large pharmaceutical or biotechnology companies.

- In April, Affimed received a payment from Genentech triggered by the achievement of a preclinical milestone under its research collaboration to develop and commercialize novel

natural killer (NK) cell engager-based immunotherapeutics based on Affimed's ROCK® platform to treat multiple cancers.

- Affimed was added to the Russell 2000®, Russell 3000®, and Russell Microcap® Indexes, effective after the U.S. markets closed on Friday, June 28, 2019 as part of Russell's annual index rebalance process. Russell U.S. Indexes are widely used by investment managers and institutional investors as the basis for index funds and as benchmarks for active investment strategies.

- In June 2019, Affimed's subsidiary AbCheck entered into a five-year licensing agreement with Icosagen granting AbCheck access to Icosagen's QMCF protein production technology. Under the terms of the agreement, AbCheck acquires the rights to utilize Icosagen's QMCF technology platform for its commercial activities in antibody discovery.

Pipeline Updates

CD16A innate cell engager programs

AFM13 (CD30/CD16A)

- Affimed reached agreement with the U.S. Food and Drug Administration regarding the design of its planned Phase 2 registration-directed study of AFM13 as monotherapy in relapsed or refractory patients with CD30-positive peripheral T cell lymphoma (PTCL). The results, if positive, could form the basis for a Biologics License Application (BLA) submission and support an accelerated approval given the unmet medical need for safe and effective new treatments in this hard-to-treat patient population. The study will also enroll a cohort of patients with transformed mycosis fungoides, an aggressive subtype of cutaneous T cell lymphoma. Study start-up activities are under way, with study commencement anticipated in the second half of 2019.

- Updated data from an investigator-sponsored translational Phase 1b/2a study of AFM13 in patients with relapsed or refractory CD30-positive lymphoma with cutaneous manifestation led by Columbia University was presented at the International Conference on Malignant Lymphomas (ICML) in Lugano in June 2019. The data confirmed single-agent activity of AFM13 in CD30-positive lymphoma patients, with an objective response rate (ORR) of 50% (5 out of 10 patients). Tumor biopsies showed increased infiltration of NK cells in responders compared to non-responders, and evidence of NK cell-mediated killing.

- Affimed reported the final results from the Phase 1b dose escalation study of AFM13 plus pembrolizumab that showed encouraging efficacy in the intent-to-treat (ITT) patient population (n=30) with an ORR of 83%, including complete responses (CR) in 40% and partial responses (PR) in 43% of patients with hard-to-treat Hodgkin lymphoma. At the highest treated dose (n=24), patients showed an ORR of 88% (CR of 46% and PR of 42%) as determined by independent assessment. Overall, the combination of AFM13 and pembrolizumab showed a favorable safety profile in patients, including some patients who did not respond to first-line chemotherapy and a subgroup of patients who were primary refractory to brentuximab vedotin. Importantly, a deepening of responses was reported over time in multiple patients. In addition, patients previously transplant-ineligible transitioned to transplant after achieving an objective response with the combination of AFM13 and pembrolizumab, thus increasing the chance for a cure. These positive results, taken together with data demonstrating single-agent activity of AFM13 in CD30-positive T cell lymphoma patients, form the basis for Affimed to initiate a registration-directed study of AFM13 as monotherapy in patients with PTCL.

- The combination of AFM13 with allogeneic NK cells represents a novel approach in order to further improve response rates and durability of responses in patients with relapsed/refractory CD30-positive lymphoma. In a preclinical collaboration with the University of Texas MD Anderson Cancer Center (MDACC), AFM13 has been shown to bind to CD16A with much higher affinity than other CD16A binding moieties such as monoclonal antibodies, thus enabling the formation of a stable complex of AFM13 pre-mixed with cord blood-derived allogeneic NK cells. This stable complex showed strong efficacy in in vitro and in vivo experiments, forming the basis for an investigator-sponsored Phase 1 study by MDACC. In the study, MDACC intends to administer this stable complex in different doses (numbers of pre-loaded NK cells) into patients with relapsed/refractory CD30-positive malignancies.

AFM24 (EGFR/CD16A)

- AFM24 is a tetravalent, bispecific EGFR- and CD16A-binding innate cell engager from Affimed's ROCK® platform. It is designed to target EGFR-expressing solid tumors by a new mechanism of action that activates innate immunity. This is a differentiated approach from cetuximab and other EGFR targeting approaches that inhibit tumor growth by EGFR-mediated signal transduction. Affimed presented data at the American Association for Cancer Research (AACR) 2019 Annual Meeting that demonstrated AFM24's ability to bridge NK cells and macrophages to EGFR expressing tumor cell lines and induce lysis through antibody-dependent cellular cytotoxicity (ADCC) and antibody-dependent cellular phagocytosis (ADCP), respectively. Due to AFM24's different mode of action these effects were independent of RAS mutational status. Importantly, AFM24 enhanced tumor infiltration of NK cells and elicited dose-dependent anti-tumor efficacy in in vivo tumor models. AFM24 showed reduced inhibition of EGFR phosphorylation relative to the monoclonal antibody cetuximab. Treatment of cynomolgus monkeys with AFM24 resulted in a favorable safety profile, even when treated at high dose levels, demonstrating AFM24's potential to have significantly lower toxicities in humans compared to standard of care. Affimed currently anticipates submitting the investigational new drug (IND) application for AFM24 around the end of the third quarter 2019.

Technology Updates

- Data describing Affimed's ROCK® antibody platform was published in the mAbs journal., titled, "Redirected optimized cell killing (ROCK®): A highly versatile multispecific fit-for-purpose antibody platform for engaging innate immunity." The paper discusses aspects of the modular platform, including the advantages of innate immune cell engagement over monoclonal antibodies and other engager concepts. The article also describes the potential of the ROCK® platform to engineer a fit-for-purpose innate immune cell engager format that can be equipped with unique CD16A domains, modules that influence pharmacokinetic properties and molecular architectures that influence the activation of immune effectors, as well as tumor targeting. The article is available at: https://doi.org/10.1080/19420862.2019.1616506.

Financial Highlights

(Figures for the second quarter and six months ended June 30, 2019 and 2018 are unaudited.)

Cash, cash equivalents and current financial assets totaled €87.7 million as of June 30, 2019, compared to €108.8 million as of December 31, 2018. Based on its current operating and budget assumptions, Affimed anticipates that its cash, cash equivalents and current financial assets as of June 30, 2019 will enable the Company to fund its planned clinical development and early development activities into 2021.

Net cash used in operating activities was €18.9 million for the six months ended June 30, 2019, compared to net cash used in operating activities of €15.2 million for the six months ended June 30, 2018. The increase is primarily due to higher cash expenditure for research and development efforts.

Total revenue was €4.0 million for the three months ended June 30, 2019 compared to €0.2 million for the three months ended June 30, 2018. The increase in revenue is attributable to the recognition of €3.7 million as revenue from the Genentech collaboration in the second quarter of 2019.

Research and development (R&D) expenses for the second quarter of 2019 were €11.5 million, including accrued termination costs of €1.4 million associated with the wind-down activities for the two Phase 1 studies of AFM11. R&D expenses for the second quarter of 2018 were €7.1 million. The increase was primarily related to higher expenses related to manufacturing activities for clinical study material for AFM13, startup activities for the AFM13 registration study in PTCL, early stage development and discovery activities, and the termination costs for the two AFM11 clinical studies.

General and administrative (G&A) expenses for the second quarter of 2019 were nearly unchanged at €2.3 million compared to €2.2 million for the second quarter of 2018.

Net loss was €10.3 million, or €0.17 per common share, for the second quarter of 2019, compared to a net loss of €8.0 million, or €0.13 per common share, for the second quarter of 2018.

Note on IFRS Reporting Standards
Affimed prepares and reports the consolidated financial statements and financial information in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). None of the financial statements were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in the United States. Affimed maintains its books and records in Euro.

Conference Call and Webcast Information

Affimed will host a conference call and webcast today, Wednesday, August 7, 2019 at 8:30 a.m. Eastern time to discuss the company's financial results and recent corporate developments. To access the call, please dial +1 (917) 720-0178 for U.S. callers, or +44 (0) 203 0095710 for international callers, and reference conference ID 9396039 approximately 15 minutes prior to the call. An audio webcast of the conference call can be accessed in the "Webcasts" section on the "Investors" page of the Affimed website at https://www.affimed.com/investors/webcasts/. A replay of the webcast will be available on Affimed's website shortly after the conclusion of the call and will be archived for 30 days following the call.

About Affimed N.V.

Affimed (Nasdaq: AFMD) is a clinical stage biopharmaceutical company committed to giving patients back their innate ability to fight cancer. Affimed's fit-for-purpose ROCK® platform allows innate cell engagers to be designed for specific patient populations. The Company is developing single and combination therapies to treat hematologic and solid tumor cancers. For more information, please visit www.affimed.com.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. All statements other than statements of historical fact are forward-looking statements, which are often indicated by terms such as "anticipate," "believe," "could," "estimate," "expect," "goal," "intend," "look forward to", "may," "plan," "potential," "predict," "project," "should," "will," "would" and similar expressions. Forward-looking statements appear in a number of places throughout this release and include statements regarding our intentions, beliefs, projections, outlook, analyses and current expectations concerning, among other things, the value of our ROCK® platform, our ongoing and planned preclinical development and clinical trials, our collaborations and development of our products in combination with other therapies, the timing of and our ability to make regulatory filings and obtain and maintain regulatory approvals for our product candidates our intellectual property position, our collaboration activities, our ability to develop commercial functions, expectations regarding clinical trial data, our results of operations, cash needs, financial condition, liquidity, prospects, future transactions, growth and strategies, the industry in which we operate, the trends that may affect the industry or us and the risks uncertainties and other factors described under the heading "Risk Factors" in Affimed's filings with the Securities and Exchange Commission. Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements, and we assume no obligation to update these forward-looking statements, even if new information becomes available in the future.

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Affimed N.V.
Unaudited consolidated statements of comprehensive income/(loss) (in € thousand)

	For the three months ended June 30		For the six months ended June 30	
	2019	2018	2019	2018
Revenue	**4,008**	**150**	**15,361**	**682**
Other income – net	197	49	283	38
Research and development expenses	(11,545)	(7,149)	(19,532)	(13,545)
General and administrative expenses	(2,342)	(2,164)	(4,776)	(4,202)
Operating income / (loss)	**(9,682)**	**(9,114)**	**(8,664)**	**(17,027)**
Finance income / (costs) – net	**(654)**	**1,100**	**180**	**811**
Income / (loss) before tax	**(10.336)**	**(8,014)**	**(8,484)**	**(16,216)**
Income taxes	(4)	0	(4)	(1)
Income / (loss) for the period	**(10,340)**	**(8,014)**	**(8,488)**	**(16,217)**
Other comprehensive income / (loss)				
Items that will not be reclassified to profit or loss				
Equity investments at fair value				
OCI – net change in fair value	(49)	406	24	211
Other comprehensive income / (loss)	**(49)**	**406**	**24**	**211**
Total comprehensive income / (loss)	**(10,389)**	**(7,608)**	**(8,464)**	**(16,006)**
Earnings / (loss) per share in € per share (undiluted = diluted)	**(0.17)**	**(0.13)**	**(0.14)**	**(0.28)**
Weighted number of common shares outstanding	**62,439,363**	**62,390,068**	**62,434,734**	**58,614,053**

Affimed N.V.
Consolidated statements of financial position (in € thousand)

	June 30, 2019 (unaudited)	December 31, 2018
ASSETS		
Non-current assets		
Intangible assets	168	56
Leasehold improvements and equipment	1,960	1,414
Long term financial assets	3,849	3,825
Right-of-use assets	653	0
	6,630	5,295
Current assets		
Cash and cash equivalents	63,987	94,829
Financial assets	23,726	13,974
Trade and other receivables	1,471	1,429
Inventories	330	260
Other assets	2,973	387
	92,487	110,879
TOTAL ASSETS	**99,117**	**116,174**
EQUITY AND LIABILITIES		
Equity		
Issued capital	624	624
Capital reserves	240,235	239,055
Fair value reserves	2,618	2,594
Accumulated deficit	(210,632)	(202,144)
Total equity	**32,845**	**40,129**
Non-current liabilities		
Borrowings	323	1,690
Contract liabilities	39,138	37,512
Lease liabilities	246	0
Total non-current liabilities	**39,707**	**39,202**
Current liabilities		
Trade and other payables	7,541	9,425
Provisions	1,440	0
Borrowings	3,552	3,083
Lease liabilities	377	0
Contract liabilities	13,655	24,335
Total current liabilities	**26,565**	**36,843**
TOTAL EQUITY AND LIABILITIES	**99,117**	**116,174**

Affimed N.V.
Unaudited consolidated statements of cash flows (in € thousand)

	For the six months ended June 30	
	2019	2018
Cash flow from operating activities		
Income / (loss) for the period	(8,488)	(16,217)
Adjustments for the period:		
- Income taxes	4	1
- Depreciation and amortisation	423	199
- Net gain from disposal of leasehold improvements and equipment	(9)	0
- Share based payments	1,167	937
- Finance income / costs – net	(180)	(811)
	(7,083)	(15,891)
Change in trade and other receivables	228	88
Change in inventories	(70)	(26)
Change in other assets	(2,586)	(1,159)
Change in trade, other payables, provisions and contract liabilities	(9,484)	1,970
Cash used in operating activities	(18,995)	(15,018)
Interest received	188	58
Paid interest	(134)	(196)
Net cash used in operating activities	**(18,941)**	**(15,156)**
Cash flow from investing activities		
Purchase of intangible assets	(142)	(26)
Purchase of leasehold improvements and equipment	(755)	(298)
Cash received from the sale of leasehold improvements and equipment	0	1
Cash paid for investments in financial assets	(35,262)	0
Cash received from maturity of financial assets	25,748	0
Net cash used for investing activities	**(10,411)**	**(323)**
Cash flow from financing activities		
Proceeds from issue of common shares	13	25,042
Transaction costs related to issue of common shares	0	(1,686)
Proceeds from borrowings	562	0
Repayment of lease liabilities	(206)	0
Repayment of borrowings	(1,649)	(1,500)
Cash flow from financing activities	**(1,280)**	**21,856**
Exchange-rate related changes of cash and cash equivalents	**(210)**	**1,198**
Net changes to cash and cash equivalents	**(30,632)**	**6,377**

Cash and cash equivalents at the beginning of the period	**94,829**	**39,837**
Cash and cash equivalents at the end of the period	**63,987**	**47,412**

Affimed N.V.
Unaudited consolidated statements of changes in equity (in € thousand)

	Issued capital	Capital reserves	Fair Value reserves	Accumulated deficit	Total equity
Balance as of January 1, 2018	**468**	**213,778**	**7,325**	**(182,667)**	**38,904**
Issue of common shares	156	23,190			23,346
Equity-settled share based payment awards		937			937
Loss for the period				(16,217)	(16,217)
Other comprehensive income			211		211
Balance as of June 30, 2018	**624**	**237,905**	**7,536**	**(198,884)**	**47,181**
Balance as of January 1, 2019	**624**	**239,055**	**2,594**	**(202,144)**	**40,129**
Exercise of share based payment awards		13			13
Equity-settled share based payment awards		1,167			1,167
Loss for the period				(8,488)	(8,488)
Other comprehensive income			24		24
Balance as of June 30, 2019	**624**	**240,235**	**2,618**	**(210,632)**	**32,845**