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 November, 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333-198812) of Affimed N.V. and to be a part thereof from the date on which this report is filed, to the extent not superseded by documents or reports subsequently filed or furnished.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,

November 19, 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 September 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 November 19, 2019

Exhibit 99.1

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

	Note	For the three months ended September 30 2019	2018	For the nine months ended September 30 2019	2018
Revenue	3	**2,103**	**306**	**17,464**	**988**
Other income – net		49	(259)	332	(221)
Research and development expenses		(11,721)	(9,787)	(31,253)	(23,332)
General and administrative expenses		(2,790)	(2,389)	(7,566)	(6,591)
Operating income / (loss)		**(12,359)**	**(12,129)**	**(21,023)**	**(29,156)**
Finance income / (costs) – net	4	**1,475**	**109**	**1,655**	**920**
Loss before tax		**(10.884)**	**(12,020)**	**(19,368)**	**(28,236)**
Income taxes		0	0	(4)	(1)
Loss for the period		**(10,884)**	**(12,020)**	**(19,372)**	**(28,237)**
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	(555)	53	(531)	264
Other comprehensive income / (loss)		**(555)**	**53**	**(531)**	**264**
Total comprehensive loss		**(11,439)**	**(11,967)**	**(19,903)**	**(27,973)**
Loss per share in € per share (undiluted = diluted)		**(0.17)**	**(0.19)**	**(0.31)**	**(0.47)**
Weighted number of common shares outstanding		**62,443,550**	**62,400,484**	**62,437,673**	**59,876,197**

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

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

	Note	September 30, 2019 (unaudited)	December 31, 2018
ASSETS			
Non-current assets			
Intangible assets		149	56
Leasehold improvements and equipment		2,021	1,414
Long term financial assets	5	3,294	3,825
Right-of-use assets	2	556	0
		6,020	5,295
Current assets			
Cash and cash equivalents		59,995	94,829
Financial assets	6	16,530	13,974
Trade and other receivables		1,184	1,429
Inventories		330	260
Other assets		1,491	387
		79,530	110,879
TOTAL ASSETS		**85,550**	**116,174**
EQUITY AND LIABILITIES			
Equity			
Issued capital		624	624
Capital reserves		241,062	239,055
Fair value reserves		2,063	2,594
Accumulated deficit		(221,516)	(202,144)
Total equity	7	**22,233**	**40,129**
Non-current liabilities			
Borrowings	10	300	1,690
Contract liabilities		33,672	37,512
Lease liabilities		192	0
Total non-current liabilities		**34,164**	**39,202**
Current liabilities			
Trade and other payables		7,633	9,425
Provisions	9	1,131	0
Borrowings	10	2,960	3,083
Lease liabilities		337	0
Contract liabilities		17,092	24,335
Total current liabilities		**29,153**	**36,843**
TOTAL EQUITY AND LIABILITIES		**85,550**	**116,174**

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

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

	Note	For the nine months ended September 30 2019	2018
Cash flow from operating activities			
Loss for the period		(19,372)	(28,237)
Adjustments for the period:			
- Income taxes		4	1
- Depreciation and amortization		648	303
- Net gain from disposal of leasehold improvements and equipment		(9)	15
- Share based payments	8	1,981	1,523
- Finance income / costs – net	4	(1,655)	(920)
		(18,403)	(27,315)
Change in trade and other receivables		458	(344)
Change in inventories		(70)	(79)
Change in other assets		(1,104)	(549)
Change in trade, other payables, provisions and contract liabilities		(11,727)	3,473
Cash used in operating activities		(30,846)	(24,814)
Interest received		413	159
Paid interest		(180)	(268)
Paid income tax		0	(1)
Net cash used in operating activities		**(30,613)**	**(24,924)**
Cash flow from investing activities			
Purchase of intangible assets		(143)	(27)
Purchase of leasehold improvements and equipment		(926)	(448)
Cash received from the sale of leasehold improvements and equipment		0	1
Cash paid for investments in financial assets		(39,733)	0
Cash received from maturity of financial assets		38,270	0
Net cash used for investing activities		**(2,532)**	**(474)**
Cash flow from financing activities			
Proceeds from issue of common shares		26	25,110
Transaction costs related to issue of common shares		0	(1,702)
Proceeds from borrowings	10	562	0
Repayment of lease liabilities		(299)	0
Repayment of borrowings	10	(2,339)	(2,250)
Cash flow from financing activities		**(2,050)**	**21,158**
Exchange-rate related changes of cash and cash equivalents		**361**	**1,479**
Net changes to cash and cash equivalents		**(35,195)**	**(4,240)**
Cash and cash equivalents at the beginning of the period		**94,829**	**39,837**
Cash and cash equivalents at the end of the period		**59,995**	**37,076**

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

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

	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	23,170			23,326
Exercise of share based payment awards			68			68
Equity-settled share based payment awards	8		1,523			1,523
Loss for the period					(28,237)	(28,237)
Other comprehensive income				**264**		264
Balance as of September 30, 2018		**624**	**238,539**	**7,589**	**(210,904)**	**35,848**
Balance as of January 1, 2019		**624**	**239,055**	**2,594**	**(202,144)**	**40,129**
Exercise of share based payment awards			26			26
Equity-settled share based payment awards	8		1,981			1,981
Loss for the period					(19,372)	(19,372)
Other comprehensive income				(531)		(531)
Balance as of September 30, 2019		**624**	**241,062**	**2,063**	**(221,516)**	**22,233**

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 the Group's accounting policies

Statementof compliance

The interim financial statements for the three and nine months ended September 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 November 19, 2019.

Criticaljudgments 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 (see note 9).

Functional and presentation currency

These interim financial statements are presented in Euros, which is the Company's functional currency. All financial information presented in Euros 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 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 September 30, 2019	**Carrying amount**		
	Buildings	**Cars**	**Total**
Balance as of January 1, 2019	695	22	717
Balance as of September 30, 2019	543	13	556

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 nine months ended September 30, 2019, the Group recognized depreciation expense for right-of-use assets of €272 and interest cost related to the lease liability of €18 instead of operating lease expense of €290.

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 nine months ended September 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 €1.9 and 16.2 million as revenue during the three and nine months ended September 30, 2019, respectively, and €50.5 million as of September 30, 2019 under contract liabilities, 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 €0.2 million and €1.3 million, respectively, as revenue in the three and nine months ended September 30, 2019 (2018: €0.3 million and €0.8 million).

Contract balances

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

	September 30, 2019	December 31, 2018
Receivables	3	210
Contract liabilities	50,764	61,847

Amounts of €2,082 and €11,562 recognized in contract liabilities at the beginning of the period have been recognized as revenue during the three and nine months ended September 30, 2019.

The remaining performance obligations at September 30, 2019 are approximately €50.8 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 September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Revenue:				
Germany	0	0	0	31
Europe	155	248	1,232	566
USA	1,948	58	16,232	391
	2,103	306	17,464	988

Major service lines	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Collaboration revenue	1,948	0	16,232	205
Service revenue	155	306	1,232	783
	2,103	306	17,464	988

Timing on revenue recognition	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Revenue:				
Point in time	0	0	5,633	355
Over time	2,103	306	11,831	633
	2,103	306	17,464	988

4. Finance income and finance costs

	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Interest SVB Loan Agreement	(106)	(203)	(389)	(669)
Foreign exchange differences	1,425	262	1,453	1,465
Other finance income/finance costs	156	50	591	124
Finance income/costs - net	1,475	109	1,655	920

5. Long-term financial assets

The Company holds preferred shares in Amphivena recognized at their fair value of €3.3 million. The Company recognized losses from the change in fair value of €0.5 million in other comprehensive income in the nine months ended September 30, 2019.

6. Financial assets

As of September 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 September 30, 2019, the share capital of €624 (December 31, 2018: €624) is divided into 62,449,901 (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 ten years after the grant date. The Group granted 63,750 and 1,641,803 awards in the three and nine months ended September 30, 2019, respectively, to employees, the Management Board and the Supervisory Board. In the three and nine months ended September 30, 2019, 26,780 and 30,944 ESOP 2014 awards were cancelled or forfeited due to termination of employment and 9,688 and 19,795 options were exercised. As of September 30, 2019, 7.5 million awards (December 31, 2018: 5.9 million) were outstanding and 4.5 million awards (December 31, 2018: 2.8 million) had vested. The options outstanding as of September 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 September 30, 2019, no options were exercisable.

Share-based payment expense

In the three and nine months ended September 30, 2019, compensation expense of €814 and €1.981 was recognized affecting research and development expenses (€317 and €817) and general and administrative expenses (€497 and €1.164). In the three and nine months ended September 30, 2018, compensation expense of €586 and €1,523 was recognized affecting research and development expenses (€241 and €637) and general and administrative expenses (€345 and €886).

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):

	September 30, 2019	September 30, 2018
Fair value at grant date	$ 2.11	$ 1.14
Share price at grant date	$ 3.03	$ 1.85
Exercise price	$ 3.03	$ 1.85
Expected volatility	82%	71%
Expected life	5.83	5.67
Expected dividends	0.00	0.00
Risk-free interest rate	2.12%	0.19%

Expected volatility is estimated based on the observed daily share price returns of a peer group measured over an 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 AFM 11 program of €1.1 million as of September 30, 2019. The initial recognition of the provision was on June 30, 2019 with €1.4 million. During the three month period ended September 30, 2019, the provision decreased by €0.3 million primarily due to utilization for received services. The costs relate to obligations to third parties for services connected to the termination procedures and are expected to incur within the next 12 months.

10. Borrowings

SiliconValley 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 September 30, 2019 and December 31, 2018, the fair value of the liability did not differ significantly from its carrying amount (€2,869 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 September 30, 2019, €2,869 (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 at September 30, 2019, an amount of €391 was outstanding, of which €91 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 €79 and €274 (€93 and €278), remuneration of managing directors and other key management personnel amounted to €668 and €2.082 (€566 and €1,639) in the three and nine months ended September 30, 2019 (2018).

The Group recognized share-based payment expenses of €120 and €160 (€61 and €85) for supervisory directors and €452 and €1,175 (€393 and €1,074) for managing directors in the three and nine months ended September 30, 2019 (2018).

In the nine months ended September 30, 2019, the Group recognized termination benefits of €264 and share-based payment expenses of €22 for the former CSO Martin Treder who will continue as consultant to the Group. As of September 30, 2019, termination benefits of €203 were outstanding.

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

	Transaction volume				Outstanding balances	
	Three months ended September 30, 2019	Nine months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2018	September 30, 2019	December 31, 2018
Dr. Ulrich Grau	9	41	16	47	11	21
Dr. Thomas Hecht	25	84	30	89	18	21
Dr. Richard Stead	0	0	0	22	0	0
Berndt Modig	10	34	11	34	6	10
Ferdinand Verdonck	14	42	15	44	9	11
Dr. Bernhard Ehmer	12	40	12	33	14	17
Mathieu Simon	9	33	9	9	7	0

The unaudited consolidated interim financial statements as at September 30, 2019 contain the following outstanding balances for management board members:

	September 30, 2019
Other receivables	14
Other payables	2

12. Subsequent events

In November 2019, the Company announced the closing of a public offering of 12,000,000 common shares, at the public offering price of $2.50 per share, and the exercise in full by the underwriters of their option to purchase an additional 1,800,000 common shares. The exercise of the option to purchase additional shares brought the total number of common shares sold by Affimed to 13,800,000 common shares and increased the gross proceeds raised in the offering, after deducting underwriting discounts and commissions and estimated expenses of the offering payable by Affimed, to $32.0 million (€29.1 million).

In November 2019, the Company announced that Genentech exercised its final option for an exclusive target under the companies' collaboration agreement to develop and commercialize novel NK cell engager-based immunotherapeutics generated from Affimed's ROCK® platform to treat multiple cancers. The target selection triggers a milestone payment, in an undisclosed amount, to Affimed from Genentech.

On November 19, 2019, we announced the appointment of Cassandra Choe-Juliak, MD, MS as Acting Chief Medical Officer to succeed Dr. Leila Alland, effective November 30, 2019. Dr. Alland will transition out of her current role and will serve as a consultant for the company.

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 nine month periods ended September 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 innate cell engagers, which are designed to direct innate immune cells and establish a bridge to cancer cells. Our innate cell engagers have the ability to bring innate immune cells into the proximity of tumor cells and trigger a signal cascade that leads to the destruction of cancer cells. Due to their novel tetravalent architecture with four binding domains, our innate cell engagers bind to their targets with high affinity and have half-lives that allow for regular intravenous administration. Different dosing schemes are being explored to allow for improved exposure in heavily pretreated patient populations. Based on their mechanism of action as well as the preclinical and clinical data we have generated to date, we believe that our product candidates as monotherapy 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 cell engager space, we are also developing novel antibody formats with the potential to tailor innate cell-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, and the incurrence of loans, including convertible loans and through government grants and payments for collaborative research and development services. Through September 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 September 30, 2019, we had an accumulated deficit of €221.5 million.

Independent of the recently closed collaboration with Genentech and the income earned for the three and nine month periods ended September 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 a 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 two U.S. subsidiaries, Affimed Inc., with senior employees in investor relations, business development, corporate strategy and clinical operations and AbCheck Inc.

Recent Developments

On October 15, 2019, we announced the submission of an investigational new drug, or IND, application to the U.S. Food and Drug Administration, or FDA, to initiate a first-in-human phase 1/2a study of AFM24. The initial goal of the study is to determine the maximum tolerated dose and recommended phase 2 dose of AFM24, as well as to evaluate the safety, pharmacokinetics, pharmacodynamics and preliminary efficacy in patients with advanced cancers known to express the epidermal growth factor receptor. The second part of the study will evaluate the preliminary efficacy of AFM24 in patients with select solid tumor subtypes. On November 7, 2019, our IND application for AFM24 cleared the required 30-day review by the FDA and is in effect for a phase 1/2a clinical trial of AFM24, a tetravalent, bispecific epidermal growth factor receptor, and CD16A-binding innate cell engager, in patients with advanced cancers known to express epidermal growth factor receptor.

In addition, the FDA has cleared an IND application for a phase 1 study to evaluate a stable complex of AFM13, our lead innate cell engager, pre-mixed with cord blood-derived allogeneic NK cells (cbNK cells) as an investigational treatment for patients with relapsed/refractory CD30-positive lymphoid malignancies. Further, the registration-directed study of AFM13 as monotherapy in relapsed/refractory peripheral T cell lymphoma (pTCL), where patients have very few treatment options, is on track to initiate this year.

On November 7, 2019, we announced that Genentech, a member of the Roche Group, exercised its final option for an exclusive target under the companies' collaboration agreement to develop and commercialize novel NK cell engager-based immunotherapeutics generated by our ROCK® platform to treat multiple cancers. The target selection triggers a milestone payment, in an undisclosed amount, to us from Genentech.

On November 13, 2019, we announced the closing of a public offering of 12,000,000 common shares, at the public offering price of $2.50 per share, and the exercise in full by the underwriters of their option to purchase an additional 1,800,000 common shares. The exercise of the option to purchase additional shares brought the total number of common shares sold by Affimed to 13,800,000 and increased the gross proceeds raised in the offering, before deducting underwriting discounts and commissions and estimated expenses of the offering payable by Affimed, to $34.5 million (€31.3 million).

On November 19, 2019, we announced the appointment of Cassandra Choe-Juliak, MD, MS as Acting Chief Medical Officer (CMO) to succeed Dr. Leila Alland, effective November 30, 2019. Dr. Alland will transition out of her current role and will serve as a consultant for the company. The company will commence a search to identify a permanent Chief Medical Officer.

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 as an "emerging growth company" as defined in the Jumpstart our Business Startups Act of 2012, or the JOBS Act, commencing December 31, 2019. As a result, we can no longer take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. Further, our independent registered public accounting firm will be required to attest to the effectiveness of our internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002.

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.* In November 2019, we initiated a registration directed phase 2 study of AFM13 as monotherapy in relapsed or refractory patients suffering from peripheral T cell lymphoma (pTCL). The study protocol has been agreed upon with the U.S. Food and Drug Administration (FDA). In addition, this study will, as a separate cohort, investigate the initial efficacy of AFM13 as monotherapy in patients suffering from transformed mycosis fungoides (T-MF). In September 2019, the FDA cleared an investigational new drug application (IND) for an investigator-sponsored Phase 1 study, in which the University of Texas MD Anderson Cancer Center (MDACC) plans to investigate the combination of AFM13 with allogeneic NK cells. MDACC intends to administer a stable complex of AFM13 pre-mixed with cord blood-derived allogeneic NK cells in different doses (numbers of pre-loaded NK cells) into patients with relapsed/refractory CD30-positive lymphoid malignancies. In 2017, an investigator-sponsored Phase 1b/2a study was initiated by Columbia University to investigate AFM13 as monotherapy in patients with relapsed or refractory CD30-positive lymphoma with cutaneous manifestation. In 2016, 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 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 has now completed recruitment under the new study design. We anticipate that our research and development expenses in the fourth quarter of 2019 for AFM13 will increase compared to those for the first three quarters of 2019 due to the initiation of new clinical studies, pre-clinical studies with collaboration partners and the preparation of the production of AFM13 for commercial purposes.
- *AFM11*. The phase 1 clinical trials of AFM11 were placed on clinical hold and recruitment stopped in October 2018. 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. 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. 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 fourth quarter of 2019.

Results of Operations

The financial information shown below was derived from our unaudited interim condensed consolidated financial statements for the three and nine month periods ended September 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 September 30, 2019 and 2018

	Three months ended September 30, 2019	2018
	(unaudited) (in € thousand)	
Total Revenue:	**2,103**	**306**
Other income (expenses)—net	49	(259)
Research and development expenses	(11,721)	(9,787)
General and administrative expenses	(2,790)	(2,389)
Operating loss	(12,359)	(12,129)
Finance income/(costs)—net	1,475	109
Loss before tax	(10,884)	(12,020)
Income taxes	0	0
Loss for the period	(10,884)	(12,020)
Other comprehensive income	(555)	53
Total comprehensive loss	(11,439)	(11,967)
Loss per common share in € per share (undiluted)	(0.17)	(0.19)
Loss per common share in € per share (diluted)	(0.17)	(0.19)

Revenue

Revenue increased significantly to €2.1 million in the three months ended September 30, 2019 from €0.3 million for the three months ended September 30, 2018. Revenue in the three months ended September 30, 2019 predominantly relate to the Genentech collaboration (€1.9 million), while revenue in the three months ended September 30, 2018 solely included revenue generated by AbCheck. Revenue from the Genentech collaboration in the three months ended September 30, 2019 relate to revenue recognized for collaborative research services performed during the quarter.

Research and development expenses

R&D Expenses by Project	Three months ended September 30, 2019	2018	Change %
	(unaudited) (in € thousand)		
Project			
AFM13	6,023	2,057	193%
AFM11	(86)	965	—
Other projects and infrastructure costs	5,467	6,524	(16%)
Share-based payment expense	317	241	32%
Total	**11,721**	**9,787**	**20%**

Research and development expenses amounted to €11.7 million in the three months ended September 30, 2019 compared to research and development expenses of €9.8 million in the three months ended September 30, 2018. The variances in project-related expenses between the three months ended September 30, 2019 and the corresponding period in 2018 are mainly due to the following projects:

- *AFM13.* In the three months ended September 30, 2019 we incurred significant higher expenses (193%) than in the three months ended September 30, 2018 primarily due to higher expenses for the preparation of new clinical trials and manufacturing activities for the clinical trial material.
- *AFM11.* As of June 30, 2019, we recorded termination costs for the phase 1 dose-finding study in NHL and the phase 1 dose-finding study in ALL. In the three months ended September 30, 2019, termination costs were updated and we incurred negative expenses of €0.1 million.

- *Other projects and infrastructure costs.* In the three months ended September 30, 2019, expenses were lower (-16%) than in the three months ended September 30, 2018 primarily due to lower 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 €2.8 million in the three months ended September 30, 2019 compared to €2.4 million in the three months ended September 30, 2018.

Finance income / (costs)-net

Finance income for the three months ended September 30, 2019 totaled €1.5 million, compared to €0.1 million for the three months ended September 30, 2018. Finance income in the three months ended September 30, 2019 primarily includes foreign exchange gains of €1.4 million.

Comparison of the nine months ended September 30, 2019 and 2018

	Nine months ended September 30, 2019	2018
	(unaudited) (in € thousand)	
Total Revenue:	17,464	988
Other income/(expenses)—net	332	(221)
Research and development expenses	(31,253)	(23,332)
General and administrative expenses	(7,566)	(6,591)
Operating loss	(21,023)	(29,156)
Finance income/(costs)—net	1,655	920
Loss before tax	(19,368)	(28,236)
Income taxes	(4)	(1)
Loss for the period	(19,372)	(28,237)
Other comprehensive income	(531)	264
Total comprehensive loss	(19,903)	(27,973)
Loss per common share in € per share (undiluted)	(0.31)	(0.47)
Loss per common share in € per share (diluted)	(0.31)	(0.47)

Revenue

Revenue significantly increased from €1.0 million in the nine months ended September 30, 2018 to €17.5 million for the nine months ended September 30, 2019. Revenue in the nine months ended September 30, 2019 predominantly relate to the Genentech collaboration (€16.2 million), while revenue in the nine months ended September 30, 2018 primarily included revenue generated by AbCheck. Revenue from the Genentech collaboration in the nine months ended September 30, 2019 relate to revenue recognized for collaborative research services performed during the first nine months of the year and the achievement of a preclinical milestone.

Research and development expenses

R&D Expenses by Project	Nine months ended September 30, 2019	2018	Change %
	(unaudited) (in € thousand)		
Project			
AFM13	12,631	5,468	131%
AFM11	1,909	4,002	(52%)
Other projects and infrastructure costs	15,896	13,225	20%
Share-based payment expense	817	637	28%
Total	**31,253**	**23,332**	**34%**

Research and development expenses increased from €23.3 million in the nine months ended September 30, 2018 to €31.3 million in the nine months ended September 30, 2019. The variances in project-related expenses between the nine months ended September 30, 2019 and the corresponding period in 2018 are mainly due to the following projects:

- *AFM13.* In the nine months ended September, 2019, we incurred significantly higher expenses than in the nine months ended September 30, 2018 primarily due to higher expenses for the preparation of new clinical trials and manufacturing activities for the clinical trial material.
- *AFM11.* In the nine months ended September 30, 2019, research and development expenses were lower than in the nine months ended September 30, 2018. The majority of the expenses in the nine months ended September 30, 2019 are related to costs for the termination of the phase 1 dose-finding study in NHL and the phase 1 dose-finding study in ALL.
- *Other projects and infrastructure costs.* In the nine months ended September 30, 2019, expenses were 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 nine months ended September 30, 2019 were €7.6 million, compared to €6.6 million for the nine months ended September 30, 2018. The amount for 2019 includes share-based compensation of €1.2 million (nine months ended September 30, 2018: €0.9 million).

Finance income / (costs)-net

Finance income for the nine months ended September 30, 2019 was €1.7 million, compared to €0.9 million for the nine months ended September 30, 2018. Finance income in the nine months ended September 30, 2019 is primarily related to foreign exchange gains of €1.5 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, and grants and payments from collaboration partners.

Cash flows

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

	Nine months ended September 30,	
	2019	2018
	(unaudited) (in € thousand)	
Net cash used in operating activities	(30,613)	(24,924)
Net cash used for/generated from investing activities	(2,532)	(474)
Net cash generated from/used in financing activities	(2,050)	21,158
Exchange rate related changes of cash and cash equivalents	361	1,479
Net changes to cash and cash equivalents	(35,195)	(4,240)
Cash and cash equivalents at the beginning of the period	94,829	39,837
Cash and cash equivalents at the end of the period	**59,995**	**37,076**

Net cash used in operating activities of €30.6 million in the nine months ended September 30, 2019 is higher than net cash used in operating activities in the nine months ended September 30, 2018 (€24.9 million) primarily due to higher cash expenditure for research and development efforts. The investing activities in the nine months ended September 30, 2019 primarily relate to investments in and proceeds from the sale or maturity of financial assets, while in the nine months ended September 30, 2018 investing activities mainly relate to the purchase of leasehold improvements and equipment. Net cash used in financing activities in the nine months ended September 30, 2019 relate primarily to the repayment of borrowings, while net cash generated from financing activities in the nine months ended September 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 September 30, 2019 were €76.5 million, compared to €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.

Based on our current operating and budget assumptions, we believe that our existing liquidity together with the November 2019 offering proceeds, will enable us to fund our operating expenses and capital expenditure requirements at least into the fourth quarter of 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 nine months ended September 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 nine month periods ended September 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 as an “emerging growth company” as defined in the Jumpstart our Business Startups Act of 2012, or the JOBS Act, commencing December 31, 2019.

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 September 30, 2019, our accumulated deficit was €221.5 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, or expectations based on these 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 AFM24 (which is not yet in clinical development) and AFM13 (which is still in clinical development), and certain of our other product candidates, each of which 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;
- future legislation may materially impact our ability to realize revenue from any approved and commercialized products;
- 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 retaining our 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 Third Quarter 2019 Financial Results and Recent Operational Progress

- *First patient dosed in company's first registration-directed study of AFM13 for patients with relapsed/refractory peripheral T cell lymphoma (pTCL)*
- *FDA clearance of investigational new drug application for first-in-human study of AFM24*
- *Genentech exercised final option for exclusive target under strategic oncology collaboration; triggers a payment in an undisclosed amount to Affimed from Genentech*
- *Appoints Cassandra Choe-Juliak, MD, MS as Acting Chief Medical Officer to succeed Leila Alland, MD; Dr. Alland to remain a consultant for the company*
- *Pro forma cash position of €106 million, including approximately €29 million in net proceeds from completed public offering in November 2019*

Heidelberg, Germany, November 19, 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 results for the quarter ended September 30, 2019 and provided an update on clinical and corporate developments.

"We are excited to commence patient dosing in our Phase 2 study of AFM13 in support of registration, bringing us one step closer to delivering a potential new treatment for pTCL patients, who have very few treatment options," said Dr. Adi Hoess, Affimed's CEO. "In addition, the IND for the first ever clinical trial bringing together an innate cell engager (AFM13) and adoptive NK cell transfer has cleared. This study of AFM13 and MD Anderson's NK cell product could address a much broader group of patients with CD30-expressing lymphomas, including Hodgkin lymphoma, cutaneous T-cell lymphoma and diffuse large B-cell lymphoma."

Program Updates

AFM13 (CD30/CD16A)

- In November 2019, the first patient was dosed in a Phase 2 registration-directed study of AFM13 as monotherapy in relapsed or refractory patients with CD30-positive peripheral T cell lymphoma (pTCL). The results of the study, if positive, could form the basis for a Biologics License Application 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.
- The U.S. Food and Drug Administration (FDA) cleared an investigational new drug application (IND) for an investigator-sponsored Phase 1 study, in which the University of Texas MD Anderson Cancer Center (MDACC) plans to investigate the combination of AFM13 with allogeneic NK cells. MDACC intends to administer a stable complex of AFM13 pre-mixed with cord blood-derived allogeneic NK cells in different doses (numbers of pre-loaded NK cells) to patients with relapsed/refractory CD30-positive lymphoid malignancies. The combination represents a novel approach to further improve response rates and durability of responses in this patient population.

AFM24 (EGFR/CD16A)

- In October 2019, Affimed received clearance of its IND for AFM24 from the FDA, enabling the company to proceed with its planned Phase 1/2a clinical study of the tetravalent, bispecific epidermal growth factor receptor (EGFR)- and CD16A-binding innate cell engager in patients with advanced cancers known to express EGFR. The clearance of the IND follows the company's IND submission in late-September 2019. Affimed expects the study, which is aimed at establishing safety and identifying initial signals of efficacy of AFM24, to initiate in the first quarter of 2020.

Pipeline Updates

- Affimed selected two new CD16A-binding innate cell engager candidates (AFM28 and AFM32) from our ROCK® platform for undisclosed targets that the company plans to advance into preclinical studies in 2020 with the aim of supporting future IND submissions. The selection of the new development candidates follows Affimed's evaluation of innate immune cell activity versus a number of potential targets that are expressed in multiple hematological and solid tumor malignancies.

Genentech Collaboration

- In November 2019, Genentech exercised its final option for an exclusive target under the ongoing, multi-program strategic oncology collaboration agreement to develop and commercialize novel NK cell engager-based immunotherapeutics generated from Affimed's ROCK® platform to treat multiple cancers. The target selection triggers a payment in an undisclosed amount to Affimed from Genentech.

Management Changes

- Affimed announced the appointment of Cassandra Choe-Juliak, MD, MS as Acting Chief Medical Officer to succeed Dr. Leila Alland, effective November 30, 2019. Dr. Alland will transition out of her current role and will serve as a consultant for the company. Dr. Choe-Juliak has over 13 years of experience in drug development and medical affairs in immuno-oncology/oncology for both hematological and solid tumor malignancies. Since joining Affimed in July 2017, she has served as the clinical leader for the AFM13 development program.

Dr. Hoess commented, “Cassandra’s deep expertise in drug development and strong leadership skills have been, and will continue to be, a tremendous asset to Affimed and our clinical team as we advance our pipeline of innate cell engagers. I would also like to thank Leila for her many contributions to Affimed and wish her success in her future endeavors.”

Financial Highlights

(Figures for the third quarter and nine months ended September 30, 2019 and 2018 are unaudited.)

Cash, cash equivalents and current financial assets totaled €76.5 million as of September 30, 2019, compared to €108.8 million as of December 31, 2018. In November 2019, Affimed completed a public equity offering with net proceeds, after deducting underwriting discounts and commissions and estimated offering expenses, of approximately $32 million (€29 million). Based on its current operating and budget assumptions, the company anticipates that its cash, cash equivalents and current financial assets as of September 30, 2019, together with the proceeds from the stock offering, will enable the Company to fund its planned clinical development and early development activities at least into the fourth quarter of 2021.

Net cash used in operating activities was €30.6 million for the nine months ended September 30, 2019, compared to net cash used in operating activities of €24.9 million for the nine months ended September 30, 2018. The increase is primarily due to higher cash expenditure for research and development efforts.

Total revenue was €2.1 million for the three months ended September 30, 2019 compared to €0.3 million for the three months ended September 30, 2018. The increase in revenue is attributable to the recognition of €1.9 million as revenue from the Genentech collaboration in the third quarter of 2019.

Research and development (R&D) expenses for the third quarter of 2019 were €11.7 million, compared to R&D expenses for the third quarter of 2018 of €9.8 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 and early stage development and discovery activities.

General and administrative expenses for the third quarter of 2019 were €2.8 million compared to €2.4 million for the third quarter of 2018.

Net loss was €10.9 million, or €0.17 per common share, for the third quarter of 2019, compared to a net loss of €12.0 million, or €0.19 per common share, for the third quarter of 2018.

Note on International Financial Reporting Standards (IFRS)

Affimed prepares and reports the consolidated financial statements and financial information in accordance with IFRS as issued by the International Accounting Standards Board. None of the financial statements were prepared in accordance with Generally Accepted Accounting Principles 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, Tuesday, November 19, 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 (631) 510-7495 for U.S. callers, or +44 (0) 2071 928000 for international callers, and reference conference ID 8758067 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_cp/. 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 tumors. 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 € thousands)

	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Revenue	**2,103**	**306**	**17,464**	**988**
Other income – net	49	(259)	332	(221)
Research and development expenses	(11,721)	(9,787)	(31,253)	(23,332)
General and administrative expenses	(2,790)	(2,389)	(7,566)	(6,591)
Operating income / (loss)	**(12,359)**	**(12,129)**	**(21,023)**	**(29,156)**
Finance income / (costs) – net	**1,475**	**109**	**1,655**	**920**
Loss before tax	**(10.884)**	**(12,020)**	**(19,368)**	**(28,236)**
Income taxes	0	0	(4)	(1)
Loss for the period	**(10,884)**	**(12,020)**	**(19,372)**	**(28,237)**
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	(555)	53	(531)	264
Other comprehensive income / (loss)	**(555)**	**53**	**(531)**	**264**
Total comprehensive loss	**(11,439)**	**(11,967)**	**(19,903)**	**(27,973)**
Loss per share in € per share (undiluted = diluted)	**(0.17)**	**(0.19)**	**(0.31)**	**(0.47)**
Weighted number of common shares outstanding	**62,443,550**	**62,400,484**	**62,437,673**	**59,876,197**

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

	September 30, 2019 (unaudited)	December 31, 2018
ASSETS		
Non-current assets		
Intangible assets	149	56
Leasehold improvements and equipment	2,021	1,414
Long term financial assets	3,294	3,825
Right-of-use assets	556	0
	6,020	5,295
Current assets		
Cash and cash equivalents	59,995	94,829
Financial assets	16,530	13,974
Trade and other receivables	1,184	1,429
Inventories	330	260
Other assets	1,491	387
	79,530	110,879
TOTAL ASSETS	**85,550**	**116,174**
EQUITY AND LIABILITIES		
Equity		
Issued capital	624	624
Capital reserves	241,062	239,055
Fair value reserves	2,063	2,594
Accumulated deficit	(221,516)	(202,144)
Total equity	**22,233**	**40,129**
Non-current liabilities		
Borrowings	300	1,690
Contract liabilities	33,672	37,512
Lease liabilities	192	0
Total non-current liabilities	**34,164**	**39,202**
Current liabilities		
Trade and other payables	7,633	9,425
Provisions	1,131	0
Borrowings	2,960	3,083
Lease liabilities	337	0
Contract liabilities	17,092	24,335
Total current liabilities	**29,153**	**36,843**
TOTAL EQUITY AND LIABILITIES	**85,550**	**116,174**

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

	For the nine months ended September 30	
	2019	**2018**
Cash flow from operating activities		
Loss for the period	(19,372)	(28,237)
Adjustments for the period:		
- Income taxes	4	1
- Depreciation and amortization	648	303
- Net gain from disposal of leasehold improvements and equipment	(9)	15
- Share based payments	1,981	1,523
- Finance income / costs – net	(1,655)	(920)
	(18,403)	(27,315)
Change in trade and other receivables	458	(344)
Change in inventories	(70)	(79)
Change in other assets	(1,104)	(549)
Change in trade, other payables, provisions and contract liabilities	(11,727)	3,473
Cash used in operating activities	(30,846)	(24,814)
Interest received	413	159
Paid interest	(180)	(268)
Paid income tax	0	(1)
Net cash used in operating activities	**(30,613)**	**(24,924)**
Cash flow from investing activities		
Purchase of intangible assets	(143)	(27)
Purchase of leasehold improvements and equipment	(926)	(448)
Cash received from the sale of leasehold improvements and equipment	0	1
Cash paid for investments in financial assets	(39,733)	0
Cash received from maturity of financial assets	38,270	0
Net cash used for investing activities	**(2,532)**	**(474)**
Cash flow from financing activities		
Proceeds from issue of common shares	26	25,110
Transaction costs related to issue of common shares	0	(1,702)
Proceeds from borrowings	562	0
Repayment of lease liabilities	(299)	0
Repayment of borrowings	(2,339)	(2,250)
Cash flow from financing activities	**(2,050)**	**21,158**
Exchange-rate related changes of cash and cash equivalents	**361**	**1,479**
Net changes to cash and cash equivalents	**(35,195)**	**(4,240)**
Cash and cash equivalents at the beginning of the period	**94,829**	**39,837**
Cash and cash equivalents at the end of the period	**59,995**	**37,076**

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

	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	23,170			23,326
Exercise of share based payment awards		68			68
Equity-settled share based payment awards		1,523			1,523
Loss for the period				(28,237)	(28,237)
Other comprehensive income			**264**		264
Balance as of September 30, 2018	**624**	**238,539**	**7,589**	**(210,904)**	**35,848**
Balance as of January 1, 2019	**624**	**239,055**	**2,594**	**(202,144)**	**40,129**
Exercise of share based payment awards		26			26
Equity-settled share based payment awards		1,981			1,981
Loss for the period				(19,372)	(19,372)
Other comprehensive income			(531)		(531)
Balance as of September 30, 2019	**624**	**241,062**	**2,063**	**(221,516)**	**22,233**