Marinomed

Half-Year Financial Report 2022

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Dear shareholders,

Uncertainty seems to have become the new normal. COVID-19 is well in its third year, supply chain disruptions are ongoing, the war in Ukraine continues and inflation is hitting practically all economies in the world. In this challenging environment, Marinomed's business model is resilient with the highest H1 revenues to date with an increase by 52 % compared to H1 2021. Together with our international partners, we are committed to building on our successful path. In parallel, we are creating the basis for accelerating our growth. We are now going to transfer our success in the OTC business to Rx therapeutics in virology and immunology, targeting diseases with high unmet medical need. In both indication areas, our powerful technologies, innovation and know-how can make a great difference. We are excited to help more patients with new treatments enabled by our proprietary technologies in the future.

Virology - Carragelose

Our recent license agreement with Procter & Gamble (P&G) will provide the important geographical expansion of Marinomed's virus blocker Carragelose in the U.S.. We are working closely with our new partners, P&G, Hanmi and M8, to support their interactions with the respective regulatory authorities for market approval. More than ever, we are convinced that broad-band virus-blocking products backed by science and with proven clinical activity should play a more prominent role. For our Carragelose products, we have extensive scientific evidence supporting their efficacy in preventing or shortening viral respiratory infections. The recent deals and the rising demand for Carragelose products in several countries around the world suggest that we will continue our growth trajectory. With new partnerships in place and an increasing demand for our products, we have the ideal basis for our continued expansion of reach and market penetration of our broadly virus-blocking compound.

Despite our success with Carragelose there is still a major need for innovation to arm ourselves against potentially dangerous respiratory viruses, both current and new. Therefore, we have initiated the development of a new product candidate for inhalation aimed at severe viral respiratory infections. Based on a combination of our broad-band virus blocker together with a pharmaceutical ingredient, it could become a game changer in combating future pandemics and viral pneumonia. Marinomed has generated preclinical data and IP on this development and demonstrated synergistic activity between a drug substance and iota-carrageenan in a preclinical model system. We are convinced that the concept of a broad-band virus blocking product with an excellent safety profile delivered via inhalation is more valid than ever.

Immunology - Marinosolv

The Marinomed team has substantial experience in the field of immunology. We are capitalising on this expertise to develop new effective treatments. With our Marinosolv technology, we are able to

successfully provide soluble formulations for some of the most hydrophobic substances. Clinical trials with our lead products Budesolv and Tacrosolv in immunological indications strongly support that the Marinosolv technology is safe to use, the resulting products are well-tolerated and, importantly, show a significantly increased bioavailability. Thus, the drug dose can be significantly lowered while increasing efficacy at the same time. We are continuing our development and regulatory work on both lead projects while also identifying new suitable indications to expand our pipeline. The first new indications we are targeting are herpetic stromal keratitis - a debilitating eye disease where Tacrosolv eye drops have the potential to make a meaningful impact - and autoimmune gastritis, a chronic inflammatory disease that destroys the cells of the stomach lining.

Strengthening business development

Furthermore, we are working on securing partnerships for our Marinosolv lead candidates and are optimistic to achieve fruitful partnerships for their commercialization. Following our first Budesolv deal with the China-based company Luoxin Pharmaceutical, we are now supporting our partner to develop Budesolv according to local regulatory requirements and commercialise it in China for the treatment of allergic rhinitis. Even in light of the difficulties associated with strict Corona measures in the Shanghai province, the collaboration works very well and the Budesolv project is making progress.

Business development activities are also ongoing for our Carragelose products, and our Solv4U platform for formulation partnerships. Solv4U offers access to the Marinosolv technology for the solubilization of active pharmaceutical ingredients for external partners and has taken off successfully since its launch in November 2021.

To further strengthen our business development team, Dr. Cornelia Kutzer has joined our team as Chief Business Officer early this year. Her experience includes more than 20 years in the pharmaceutical industry in strategic planning, marketing, sales, and business development across a range of indications, including vaccines for infectious and chronic diseases.

Focusing strategy towards higher values

Going forward we will continue to build on our expertise and leverage our experience in immunology and virology to create value for patients and shareholders. Our focus on treating autoreactive immune disorders and disorders caused by viruses entails new development projects for pharmaceutical products based on our Marinosolv platform as well as on iota-carrageenan. This includes an increased emphasis on developing prescription (Rx) medicines compared to over-the-counter (OTC) products. Based on our technologies, our science, our network and our fantastic team, we are confident of successfully expanding our pipeline and realising our goals.

Record sales and growth in H1 2022 – stable cash position

We report a record first half with EUR 4.9 million in revenues, mainly generated by our Carragelose products. The result demonstrates once again that Carragelose is a sound growth story. The operating result (EBIT) improved to EUR -2,5 million (H1/2021: EUR -3.6 million). Besides increased profit contributions, this is mainly due to the decrease in R&D expenses and in particular clinical trials. Our reported cash position of EUR 11.0 million as of June 30, 2022, reflects the drawdown of the last tranche of the EIB venture loan and an otherwise nearly neutral net change in cash for the first six months of the year.

Outlook 2022 – the right direction

We confirm our outlook for 2022. For our Carragelose business, we expect continued growth as SARS-CoV-2 transmission will likely intensify more in autumn 2022 in the Northern hemisphere together with a seasonal increase in infections with cold and flu viruses. However, the current unpredictable geopolitical environment may have an impact on our supply chain, although we are taking measures to mitigate this. We are working hard to translate the successful clinical development of our Marinosolv-based lead products into commercial success and are expanding our pipeline to relevant and promising indications. Our R&D investments will cause operating losses for 2022 but we are committed to show operating profitability in the medium term.

We express our thanks to our employees for their continued outstanding dedication. With commitment, expertise, and professionalism, our teams excel at managing the challenging circumstances that we are facing. We thank all our investors who stay with us in volatile times, public funding bodies, our partners, and our customers for the trust they have placed in Marinomed's ideas and scientific capabilities.

Andreas Grassauer | Eva Prieschl-Grassauer | Pascal Schmidt

Investor relations

The share

Marinomed Biotech AG shares have been listed on the Vienna Stock Exchange since February 1, 2019. They are listed in the Prime Market segment and included in the ATX Prime Index. Currently, the number of shares is 1,506,162.

Share price performance

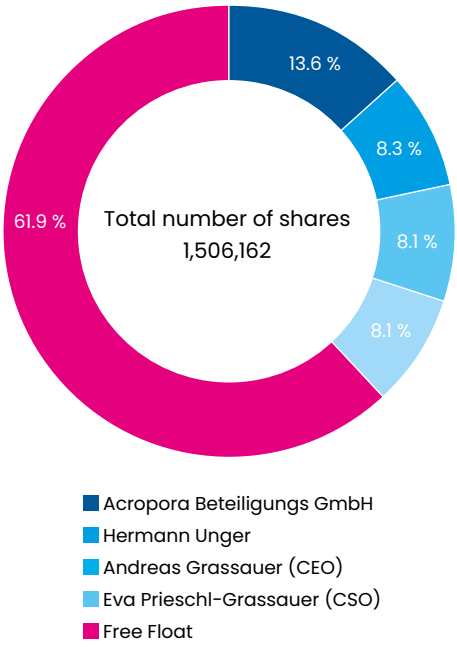
In the first half of the year, the stock markets continued to be affected by the consequences of the pandemic with difficult supply chains and the Ukraine conflict. The demand for Marinomed's effective carragelose products continued and led to a further increase in turnover from the sale of merchandise. However, the successful development was not reflected in the share price development.

The performance of Marinomed shares in 2022 so far was -29.55%. The share price on August 19, 2022 stood at EUR 62.00 in what remains a difficult geopolitical environment. The management of Marinomed therefore further expanded its capital market activities in the first half of 2022 and held numerous discussions with investors. Participation in further conferences and road shows is planned for the second half of the year in order to continue addressing international investors. On June 15, 2022, private investors had the opportunity to meet the management at the Annual General Meeting, which in turn took place as a face-to-face event. The items on the agenda were passed with large majorities. The voting results are available on the website: https://www.marinomed.com/en/investors-esg/annual-general-meeting

Share price performance Marinomed Biotech AG
(ATMARINOMED6, EUR)
01.02.2019 – 19.08.2022

Shareholder structure

The current shareholder structure at Marinomed is as follows: the founders and management team of Marinomed are the core shareholders with around 27% of total shares. Long-term investor Acropora, which has been invested since the foundation in 2006, holds some 14% of shares, while approximately 62% are in free float.



Note: Rounding differences possible

Financial calendar

21.11.2022	Publication of Q3 Update 2022

Management discussion and analysis

Market environment

As an innovative biopharmaceutical company with an international network, Marinomed is a part of a vivid business environment populated by pharmaceutical and biotechnology global players. Being interwoven into the field, the Company resonates with the pulse of this highly dynamic, fast-forwarding industry.

Currently the world is taking a break from the Covid-19 pandemic, looking back at some unprecedentedly challenging times. While SARS-CoV-2 left no stone unturned, biopharma industry navigated relatively well through the troubled waters of the crisis, grasping the emerging opportunities along the way. Vaccines and therapeutics have been developed and supplied, offering a range of prevention and treatment options. During the crisis the focus strongly shifted towards the biopharma industry and its many trends, such as implementation of digital healthcare and remote clinical research modalities, which accelerated. The manifold repercussions of the pandemic and the break-out of the Ukrainian conflict in 2022 at the very doorstep of the European Union are strongly shaping the global markets in the aftermath of the pandemic`s peak. Disrupted and shaken supply chains very intensely having impacted the global pandemic economy and the economic crisis, additionally intensified by the uncertainties of the warfare activities on the European land, is leaving visible marks on the global markets.

In 2021, the global medicine market reached an estimated value of USD 1,424 billion with substantial upturn due to vaccines and Covid-19 therapeutics related spending (IQVIA, 2022). North America accounted for 49.1% of global pharmaceutical sales, well ahead of Europe with 23.4% (EFPIA, 2022). The global market growth is expected to return to the pre-pandemic projections by 2025 and the global medicine market is forecasted to grow at 3-6% CAGR through 2026 (IQVIA, 2022). The Austrian pharmaceutical market was worth EUR 5.2 billion in 2021 with an increase in value of 8.6% compared to the previous year and a slight decrease of -0.9% in volume, mainly in pharmacy retail (Pharmig, 2022).

Pharma markets in emerging economies are witnessing a significant upswing, as the global economic and research pharma activities increasingly migrate towards these markets (EFPIA, 2022). Especially China is forcefully galloping towards the status of an Asian pharma giant, backed by the strong innovation in technologies, and we are seeing these fast-growing emerging economies actively shaping the global biopharma field.

Orphan indications and rare diseases remain attractive topics of the industry due to the opportunities of fast-tracking development as well as national and regulatory incentive & assistance programs. Orphan sales are expected to double in the next five years to USD 268 billion of total sales in 2026 (Evaluate, 2021). Additionally, artificial intelligence is becoming an increasingly valuable tool in drug discovery and development. By supporting personalized health care approaches and facilitating decision making on R&D tracks, artificial intelligence is here to help reaching important milestones in health improvement.

Market access environment remains challenging with emerging rationalization programs of medical

expenditures in some of the key markets. Patient-centered innovation, access to care and affordability remain key issues of the sustainable healthcare plans. Increasingly more weight is given to the value-based pricing and margins are set under growing pressure. Hence, the pharmaceutical industry is witnessing a time of adjustment and perceived impulses increasingly urge the industry to simultaneously seek and keep the balance between the innovation and cost while developing therapies to save and transform lives.

OTC medicines are affordable treatment options that empower customers by representing easily accessible solutions for their everyday healthcare needs. The Global Consumer Healthcare (CHC) market keeps recovering with healthy growth of 4.8% in 2021 after a slowdown caused by Covid-19 pandemic (Nicholas Hall, 2022). Global CHC sales in 2021 exceeded USD 150 billion with Cough, Cold & Allergy (CCA) market accounting for 15% of global CHC sales (Nicholas Hall, 2022). Procter & Gamble`s brand Vicks was the leading CCA brand in 2021 reaching sales of USD 1,418 million (Nicholas Hall 2022). North America accounted for USD 42 bilion of total global sales ahead from Europe with around USD 35 billion. At the same time, the Austrian OTC market grew by 4.4% to reach EUR 1.2 billion in 2021, with Cough & Cold being the indication with the largest share of 17.4% (Pharmig, 2022).

Marinomed will continue to provide their global customers with trusted first-line defense OTC products at an increasing demand. Moreover, it is our strong impulse to leverage our proprietary technological advantage and knowledge to help patients suffering from debilitating diseases to live healthier lives. Following this vision Marinomed is planning to strongly enter the Rx segment to address the needs of patients within key immunology and virology indications.

Immunology

Immunology, together with oncology, is one of the two leading global therapy areas with USD 127 billion (IQVIA, 2022) of estimated value in 2021 and more than 1,500 medicines in development worldwide (IFPMA, 2021). Despite the biosimilar impact expected after 2023 a strong volume growth in global spending is forecasted with an estimated annual rate of 12% through 2026, driven by steadily increasing prevalence of autoimmune diseases (IQVIA, 2022). There are more than 80 different autoimmune diseases listed in national registries, e.g. around 1% of the general population is considered to live with autoimmune gastritis (NIH 2022, Rustgi et al. 2021).

Virology

Marinomed`s virology pipeline focuses on viral respiratory infections. There are worldwide 450 drugs in development for the diseases of respiratory tract (IFPMA, 2021). The lessons learned from the pandemics moved antiviral defense and treatment in the very focus of recent pharmaceutical activity and urged the industry to seek solutions also for the challenges to come. Global viral pneumonia market reached valuation of USD 6.2 billion in 2021 with market share of 42% among all-cause infectious pneumonia therapeutics. In EU and US the antiviral drug segment is expected to grow with the highest annual rate of all infectious

pneumonia therapeutics (Global Pneumonia Therapeutics Market Report 2022) driven by the rising prevalence of viral disease triggers.

SOLV4U

SOLV4U is a newly established business unit by Marinomed with the mission to bring Marinosolv® solubilizing technology to other companies in need of innovative drug delivery solutions. Poor water solubility of drug candidates is known to be one of the most common hurdles in pharmaceutical development. Around 40% of approved drugs and nearly 90% of the pipeline drugs show poor aqueous solubility (Kalepu & Nekkanti 2015). Some of the key technologies in bioavailability enhancement are micellar solubilization, micronization, nanomilling, co-crystallization and solid-dispersion methods. There are more than 150 active companies offering solution for bioavailability enhancement, and the market is expected to strongly grow through 2030 with an annual rate of 14.6% (Roots Analysis, 2018). With SOLV4U Marinomed welcomed new opportunities to leverage its influence in this vividly growing, high-demand field.

Business performance

In line with the two therapeutic areas, Marinomed reports separately for the immunology and virology operating segments. The immunology segment comprises of the development programs and commercial activities that were previously reported under the Marinosolv segment with the SOLV4U business now shown in the segment "Other". The operating activities in the virology segment are identical to those formerly reported as Carragelose segment. Business performance is determined by different factors in the two segments. It is essential that these are taken into account in any analysis of the company's results of operations.

Immunology segment

The COVID-19 pandemic continues to have a delaying effect on the Marinosolv segment. Operating challenges relating to the Carragelose portfolio such as a number of market approval processes across the globe or supply chain disruptions as well as the authorities' emphasis on fighting the pandemic and the uncertainty in the economy continued to draw significant management capacity in 2022. However, the Company continued to intensify its efforts in the partnering and approval process of Budesolv as well as in advancing the development and positioning of Tacrosolv and the autoimmune gastritis project.

Based on the data from the pivotal clinical phase 3 study for the lead product Budesolv, a first license agreement for the Chinese market was concluded with Luoxin Pharmaceutical in 2021. An upfront payment of USD 2 million, milestones in the tens of millions and licenses for product sales are part of this agreement. The partnership with Luoxin started with difficulties due to complete lockdowns in Shanghai resulting in a temporary standstill of interactions in particular of transfers of development material. However, the collaboration is very constructive and good progress was made. In addition, Marinomed has set itself the goal of entering into further partnerships.

After the completion of the dose-finding study for the product candidate Tacrosolv in the financial year 2021, the focus laid on the positioning of the product. In close consultation with key ophthalmic opinion leaders, Marinomed decided for herpetic stromal keratitis (HSK) if developed under the company's control. This indication holds various opportunities such as potential orphan drug designation or relatively shorter clinical study timelines compared to other larger indications which would be addressable with Tacrosolv. Various discussions with potential co-development and licensing partners are ongoing with the aim to jointly undertake the planned clinical studies.

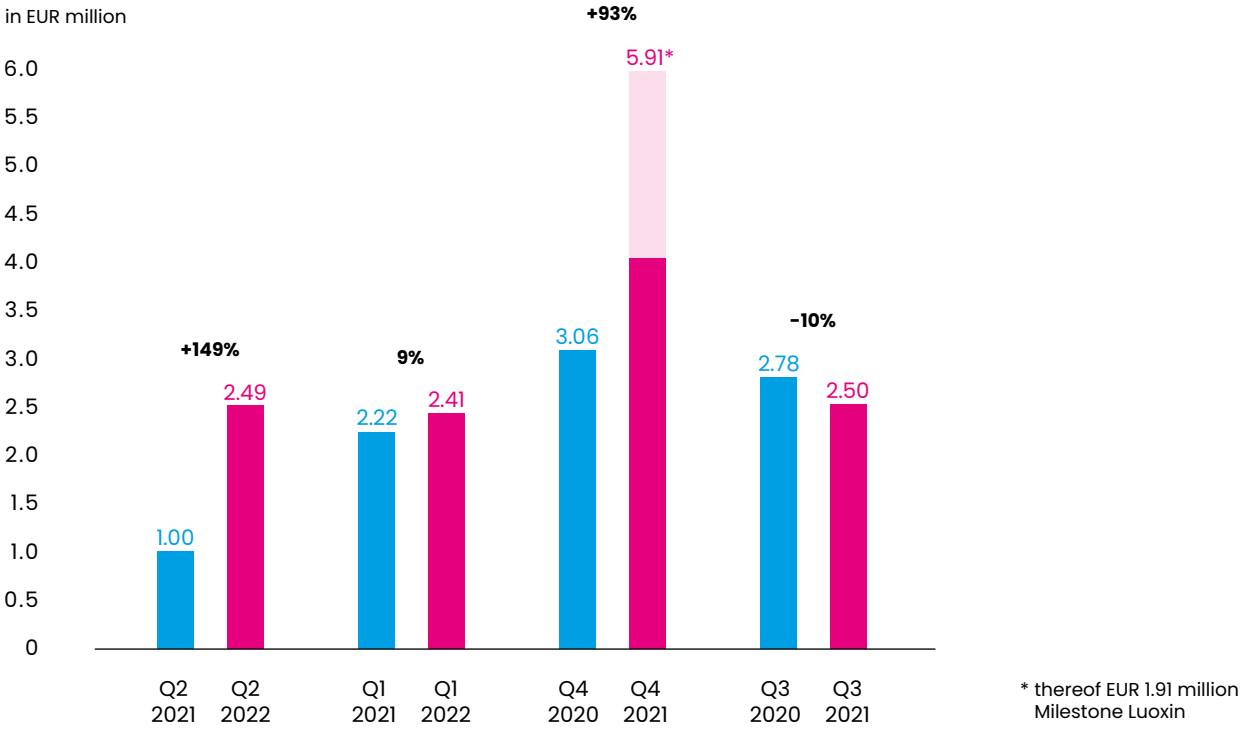
Other products, such as a new formulation for use against autoimmune gastritis, are in preclinical research.

Virology segment

The business area with products from the Carragelose platform for treating colds continued its positive trend in 2022. After double-digit growth in the previous year, sales in the Carragelose segment rose again significantly with an increase from EUR 3.2 million to EUR 4.8 million for the first half year.

Marinomed continues to see great growth potential in the pharmaceutical market for its OTC product portfolio, with competitive pressure remaining high. Continued waves of COVID-19 as

Revenues



well as the return of typical seasonal viruses that cause respiratory diseases will fuel the demand for Carragelose based products. In addition, the data situation made it possible to win new partners for certain regions such as Procter & Gamble for the US, M8 for Brasil and Mexico or Hanmi for South Korea. In these regions, the Company together with its partners, puts a lot of effort into regulatory processes to attain market approval and launch the products in these regions in 2023. The data situation is also key in the effort to transfer the Carragelose product portfolio to the new higher regulatory standard for medical devices in the EU. The Medical Device Regulation (MDR) puts a lot of pressure on all market participants and various products will disappear from the market. However, Marinomed sees itself well positioned to meet the relevant requirements for its key sales drivers.

Other

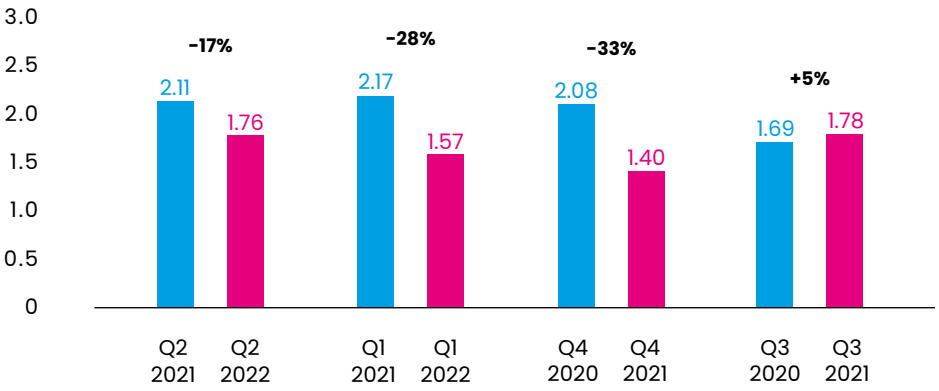
Successfully completed feasibility studies in the SOLV4U business open up the possibility for customers to continue their developments through and with Marinosolv. Based on follow-up projects and increased efforts in business development, which have led to the conclusion of new agreements in 2022, Marinomed assumes that further commercial exploitation of these developments will most likely lead to further sales growth.

Revenues and earnings

Marinomed was able to increase revenues by 52% to EUR 4.90 million in the first half of 2022 (H1/2021: EUR 3.21 million). This growth is due to significantly increased sales of merchandise. Other income fell to EUR 0.54 million (H1/2021: EUR 1.26 million). As in the previous year, other income mainly includes the state research premium and grants relating to research into a carragelose-based SARS-CoV-2 therapy (Emergency Grant KLIPHA-COVID-19). The decrease is due to reduced eligible external costs as the focus in the first half of 2022 was on internal work. This focused on the evaluation of the Tacrosolv study and the corona-related studies as well

R&D expenses

in EUR million



as the preparation of future studies in the two therapeutic areas of immunology and virology.

Due to the increased sales of merchandise, expenses for materials increased from EUR 2.18 million in the first half of 2021 to EUR 3.21 million in the reporting period. As in the previous quarters, the gross margin was over 30%. Due to the currently few ongoing external clinical studies, expenses for services fell from EUR 2.28 million in the comparison period to EUR 0.80 million in the first half of 2022. Personnel expenses stood at EUR 2.46 million in H1/2022, above the previous year's figure of EUR 2.29 million. The increase is mainly due to the growth in the workforce. Other expenses amounted to EUR 1.16 million (H1/2021: EUR 1.08 million).

Research and development expenses decreased to EUR 3.33 million (H1/2021: EUR 4.28 million). As already mentioned, this was due to the current focus on the evaluation of past and the preparation of future clinical studies. At EUR -2.52 million, the operating result (EBIT) was above the previous year's figure of EUR -3.64 million. The financial result was EUR -1.31 million in the first half of 2022 (H1/2021: EUR -0 .73 million). This is mainly due to the drawdown of the third tranche of the EIB loan amounting to EUR 6.00 million in February 2022. As a result, the half-year result for 2022 was EUR -3.84 million, after EUR -4.38 million in H1/2021.

Net assets and financial position

The net assets and financial position primarily reflect the negative earnings that can be expected for a biopharmaceutical company in the development stage. The financing measures in the financial years 2015 to 2022 enable long-term investments in research and development.

Total assets increased from EUR 21.34 million as of December 31, 2021 to EUR 25.07 million on June 30, 2022. Non-current assets were almost unchanged at EUR 8.26 million, after EUR 8.46 million at the end of the year 2021. Current assets increased to EUR 16.81 million (December 31, 2021: EUR 12.88 million).

As of the reporting date, equity stood at EUR -1.93 million compared to EUR 0.19m at the end of December 2021.

Non-current liabilities increased from EUR 15.13 million to EUR 21.37 million as of June 30, 2022. This is mainly due to the drawdown of the third tranche of the EIB loan amounting to EUR 6.00 million in February 2022. Current liabilities decreased from EUR 6.01 million to EUR 5.63 million as of June 30, 2022.

Cash and cash equivalents increased from EUR 5.80 million at the end of 2021 to EUR 11.04 million as of June 30, 2022.

Risk report

Marinomed is a company that supplies its products to pharmaceutical firms and distribution partners on all continents. As such, Marinomed is exposed to various risks. These essentially are operational and financial risks.

Marinomed has established systems and processes within the Company to identify these risks and counteract them. The risks described below are continuously monitored.

Global economic risks relating to the SARS-CoV-2 pandemic and the war in Ukraine

As an international company, Marinomed is part of the global economy. Governments on all continents have adopted and implemented massive restrictions relating to global social and economic processes to contain the pandemic. The consequences of these measures are expected to have a long-term impact on the global economy. The effects are increasingly manifesting themselves in the supply chain. On the one hand, the procurement prices follow the rapidly increasing inflation, on the other hand there are bottlenecks in raw materials, which in many cases lead to a doubling of delivery times to sometimes more than 12 months for packaging. Marinomed sees itself exposed to an increased risk in procurement and may not be able to implement effective counter measures. Furthermore, it may be possible in some cases that Marinomed cannot or not fully pass on the rising purchase prices to its customers. The Marinosolv technology platform also has to face an increased risk during commercialisation.

At the same time, it must be feared that the war in Ukraine will have long-term effects on many areas and that a weakening of economic growth is to be expected in conjunction with the corona pandemic. In addition to rising inflation, this can lead to lower customer demand. Marinomed has not had any sales in Ukraine or Russia so far. Neither country will be considered as a target market for Marinomed products in the foreseeable future.

Risks relating to funding and funding instruments

The main financial risks include default and liquidity risks. There are also exchange-rate risks as some sales are generated in British pounds (GBP). As receivables in GBP do not generally exceed EUR 500,000, the effect on the income statement of a fluctuation of +/- 10% would be less than EUR 50,000. The revenues from the license agreement with Luoxin Pharmaceutical are made in USD, but initially occur only at long intervals as milestone payments. A currency gain was recorded from the translation of the inflows from the first upfront payment. Regular payments are only expected once the product has been approved in China (not before 2024), which then entails a continuous risk of foreign currency losses.

As a research and development company, Marinomed continues to report a loss, which means that it has no access to conventional credit instruments. Accordingly, there is a risk that the capital requirements will not be met in future, or only based on unfavourable conditions. This is a typical risk for a life science company.

Further, Marinomed is to a usual extent exposed to interest risks based on the development of international interest levels. Specific interest rate risks result from the aws seed loan (3M-EURIBOR +2%) and from the revenue-related royalties to be paid in connection with the EIB loan. From July 1, 2024, a semi-fixed interest rate will be used for the ERP loan, which will depend on the 1-year EURIBOR. From December 15, 2026 the NÖBEG-financing will bear a semi-fixed interest rate, linked to the 3-months EURIBOR. The Company does not have any derivative financial instruments.

Strategic risks

The risk for Marinomed is that long-term potential will not be utilised or will be misjudged. The partnerships it has entered into or may establish in future for both technology platforms could prove disadvantageous. The current assessment of the products' potential on the global markets may turn out to be overly optimistic. Accordingly, there is a risk that the revenue targets will not be met. A further risk is that competitors may develop better or cheaper products, which would erode the profitability of Marinomed's portfolio.

Government authorities are endeavouring to rein in healthcare costs by encouraging greater competition among providers and permanently reducing the reimbursement limits for drugs in nearly all regional markets. The rapidly growing OTC market is less vulnerable to these influences, but competition is fierce and there are larger providers that have far more financial and business options available to them than Marinomed or its partners in the respective countries.

Operational risks

Marinomed is dependent on partners on both the supplier and marketing sides. Despite existing contracts, there is a risk that one or more partners may be unable to resolve financial or technical problems through no fault of Marinomed, resulting in losses for the Company. Partners may fail to achieve their own revenue targets, while other issues may relate to supply delays, payment difficulties or other risks typical of the sector.

Although sales are mainly billed in euros, appreciation of the euro against local currencies in non-eurozone countries (excluding the United Kingdom) could make the Company's products more expensive for distributors and end consumers, resulting in reduced sales of the Company's products.

Liquidity risk

Liquidity risk arises from the potential inability to raise the requisite funds for servicing obligations relating to financial instruments. To date, the Company has primarily financed its operating business via equity investments and shareholder loans, income from licensing and distribution contracts, product sales, atypical silent partnerships, the issue of a convertible bond and of new shares under the IPO, as well as via subsidies, subsidised loans and other government assistance.

Marinomed will try to maintain financial flexibility, e.g. by raising additional capital at more favorable market conditions or due to strategic considerations. In this way, most of the expenses for the

acquisition and expansion of the new headquarters could be refinanced at low interest rates.

The Management Board expects that the available liquid funds and the financing already promised will be sufficient to cover the operating expenses and investments for the primary forecast period (until December 2023). On the basis of the financials as of June 30, 2022 and the updated financial forecast, various scenarios for the growth of the company, as part of the validation of the going concern prognosis, were analyzed.

Against this background, the Management Board expects that the liquidity for the company will be secured in the primary forecast period (until December 2023) even without additional financing measures with a predominant probability and that annual profits will be achieved in the secondary forecast period and that there is therefore a positive going concern forecast.

This estimate is based on assumptions that may prove to be incorrect and the company may exhaust its capital resources sooner than currently anticipated.

Risk relating to patents

The Carragelose technology is protected by several patents worldwide. The patents of the Marinosolv technology are currently in the nationalisation phase. Nonetheless, it is possible that patents will be contested or current unique selling points will be undermined by new technologies or products. Competitors can also disregard Marinomed's patents and make it necessary for the Company to defend itself with legal advice and the associated expenses.

Research and development risk

Marinomed's success largely depends upon the degree to which its research and development initiatives achieve the expected results. Marinomed's research activities serve to increase knowledge and are committed to the well-being of mankind and the protection of the environment. Its internal and external researchers act in accordance with statutory rules and ethical principles. A responsible approach to research primarily involves the following measures in the event of research that is susceptible to abuse: identifying and minimising research risks, carefully managing publications, documenting risks and implementing educational and training measures. Nonetheless, it is possible that severe adverse events occur during a study, or the results of the research and clinical trials will not reach the expected primary or secondary endpoints or will not be significantly better than existing or new rival products. It may also turn out that regulatory authorities may not regard the clinical studies as sufficient and may therefore not grant marketing authorisation. This could materially erode the value of Marinomed's research projects. In extreme cases, individual projects could become worthless and the envisaged income impossible to realise.

Regulatory risk

Marinomed researches and develops medical products and drugs. Regulation (EU) 2017/745 came into force on May 25, 2017 for medical

devices. It is also called the European Medical Device Regulation (MDR). It applies in the member states of the European Union. Newly developed and modified products must already be certified according to the MDR. Existing, unchanged products are subject to a transition period until May 25, 2024, after which they must also be certified according to the MDR. Even though Marinomed is already preparing to switch to the MDR, it faces the risk that the Carragelose products marketed as medical devices in the EU do not meet the new, higher standards.

The approval of medicinal products is associated with high risks, which is typical for the industry. Depending on the decision for a specific type of approval (centralised or decentralised procedure), approval must be granted by authorities in several states. In the different regions (essentially the USA, Europe and Asia), the authorities also follow different standards. Depending on the queries and requirements of the authorities, this process can be delayed for several years, or it might even make sense to withdraw the approval.

Personnel risk

Due to the small number of personnel, there is a risk that any loss of key staff members will lead to a loss of essential expertise, with their replacement causing delays in meeting targets.

Interim condensed consolidated financial statements

Statement of profit or loss and other comprehensive income (loss)

all amounts in kEUR	Note	1-6/2022	1-6/2021	4-6/2022	4-6/2021
Profit or loss					
Revenues		4,899.7	3,214.5	2,488.1	997.4
Other income	3	541.8	1,256.0	412.8	773.8
Expenses for materials		−3,207.1	−2,181.0	−1,711.3	−766.5
Expenses for services		−800.5	−2,276.5	−364.5	−1,106.3
Personnel expenses	4	−2,459.3	−2,294.3	−1,273.7	−1,122.4
Depreciation and amortisation		−332.0	−284.8	−163.8	−156.1
Other expenses	5	−1,163.8	−1,078.4	−668.0	−522.4
Operating result (EBIT)		**−2,521.2**	**−3,644.5**	**−1,280.3**	**−1,902.6**
Financial income	7	32.7	0.0	32.7	0.0
Financial expenses	7	−1,346.4	−730.9	−750.7	−378.0
Financial result		**−1,313.8**	**−730.9**	**−718.1**	**−378.0**
Loss before taxes		**−3,835.0**	**−4,375.4**	**−1,998.4**	**−2,280.5**
Taxes on income		−4.8	−2.6	−3.8	−1.8
Loss for the period		**−3,839.8**	**−4,378.1**	**−2,002.2**	**−2,282.3**
Thereof attributable to the shareholders of the Company		*−3,839.8*	*−4,378.1*	*−2,002.2*	*−2,282.3*
Other comprehensive income (loss) for the period		-	-	-	-
Total comprehensive loss for the period		**−3,839.8**	**−4,378.1**	**−2,002.2**	**−2,282.3**
Thereof attributable to the shareholders of the Company		*−3,839.8*	*−4,378.1*	*−2,002.2*	*−2,282.3*
Basic (EUR per share)		−2.6	−3.0		
Diluted (EUR per share)		−2.6	−3.0		

Statement of financial position

all amounts in kEUR	Note	30.06.2022	31.12.2021
ASSETS			
Non-current assets			
Intangible assets		1,924.3	2,007.3
Property, plant and equipment	8	6,330.6	6,431.7
Deposits and other non-current receivables		10.0	20.5
		8,264.9	8,459.6
Current assets			
Inventories		1,348.7	1,027.4
Trade and other receivables		4,419.0	6,047.9
Cash and cash equivalents		11,040.7	5,802.1
		16,808.4	12,877.5
Total assets		**25,073.3**	**21,337.0**

all amounts in kEUR	Note	30.06.2022	31.12.2021
Equity and liabilities			
Capital and reserves			
Share capital	10	1,501.1	1,480.2
Capital reserves	10	43,768.3	42,068.8
Retained losses		−47,197.3	−43,357.6
		−1,927.9	191.4
Non-current liabilities			
Non-current borrowings	9	21,098.6	15,044.3
Other non-current liabilities		269.5	87.7
		21,368.1	15,132.0
Current liabilities			
Current borrowings	9	1,588.8	754.0
Trade payables		1,406.9	1,994.9
Current contract liabilities and other current liabilities		2,637.4	3,264.8
		5,633.1	6,013.7
Total equity and liabilities		**25,073.3**	**21,337.0**

Statement of cash flows

all amounts in kEUR	1-6/2022	1-6/2021
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the period	−3,839.8	−4,378.1
Adjustments for:		
Taxes on income recognised in profit or loss	4.8	2.6
Financial income recognised in profit or loss	−32.7	−0.0
Financial expense recognised in profit or loss	1,346.4	730.9
Depreciation and amortisation expense	332.0	284.8
(Gain)/Loss on disposal of assets	−7.7	-
Other non-cash income/expense	−27.8	34.5
Changes in deposits and other non-current receivables	10.5	3.9
Changes in inventories	−321.3	−938.9
Changes in trade and other receivables	1,628.9	750.1
Changes in provisions	-	−763.0
Other changes in trade payables, contract liabilities and other liabilities	−974.6	−584.6
Interest paid	−351.4	−215.0
Interest received	0.0	0.0
Cash flow utilised by operating activities	**−2,232.6**	**−5,072.7**
Cash outflow from capital expenditure for plant and equipment and intangible assets	−140.7	−739.4
Proceeds from sale of property, plant and equipment	20.1	-

Cash flow utilised by investing activities	**–120.6**	**–739.4**
Proceeds from convertible notes	1,500.0	-
Proceeds of long-term borrowings	6,200.0	-
Proceeds from executed options	-	135.2
Repayments of long-term borrowings	–100.0	–100.0
Lease payments	–8.2	–6.0
Equity transaction costs	-	–0.8
Cash flow generated from financing activities	**7,591.8**	**28.4**
Total change in cash & cash equivalents	**5,238.6**	**–5,783.7**
Cash & cash equivalents at beginning of period	5,802.1	9,206.9
Cash & cash equivalents at end of period	11,040.7	3,423.2
Of which effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	1.6	8.0

Statement of changes in equity

all amounts in kEUR	Nominal capital/ Share capital	Capital reserves	Retained losses	Total
December 31, 2020	**1,472.7**	**41,351.2**	**–37,466.3**	**5,357.6**
Loss for the period	-	-	–4,378.1	–4,378.1
Total comprehensive income (loss) for the period	-	-	–4,378.1	–4,378.1
ESOP 2019	2.3	239.3	-	241.7
June 30, 2021	**1,475.0**	**41,590.5**	**–41,844.3**	**1,221.2**
December 31, 2021	**1,480.2**	**42,068.8**	**–43,357.6**	**191.4**
Loss for the period	-	-	–3,839.8	–3,839.8
Total comprehensive income (loss) for the period	-	-	–3,839.8	–3,839.8
ESOP 2019	0.9	74.3	-	75.1
Convertible notes	20.1	1,625.3	-	1,645.4
June 30, 2022	**1,501.1**	**43,768.3**	**–47,197.3**	**–1,927.9**

Notes to the condensed consolidated financial statements

1. General information

Marinomed Biotech AG ("Marinomed" or the "Company") is an Austrian science-based biotech company with globally marketed therapeutics. The Company was incorporated in March 2006 as a spin-off from the Veterinary University of Vienna. Since the fourth quarter 2020, the Company's headquarters have been located at Hovengasse 25, 2100 Korneuburg, Austria.

The management board approved the interim condensed consolidated financial statements for issuance on August 24, 2022.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these condensed consolidated financial statements are consistent with those presented in the notes to the consolidated financial statements as of December 31, 2021, except for the adoption of new and amended standards as described in note 2.2. These policies have been consistently applied to all the periods presented, unless otherwise noted. The tables in this report may contain rounding differences.

2.1. Basis of preparation

The interim condensed consolidated financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), London, and the Interpretations of the IFRS Interpretations Committee (IFRS IC), as adopted by the European Union (EU). These interim condensed consolidated financial statements for the period ended June 30, 2022 were prepared in accordance with IAS 34 (Interim Financial Reporting).

The interim condensed consolidated financial statements as of June 30, 2022 include Marinomed Biotech AG and Marino Immo GmbH. The consolidation of Marino Immo GmbH, a wholly owned subsidiary of Marinomed Biotech AG, does not have any material effect on the presentation of net assets, financial position and results of operations.

Going concern

Since inception, the Company has incurred significant losses from its operations. As the Company is a biotech company, the losses are not unexpected, but according to plan. The business model of the Company foresees a phase of research and development over several years before generating relevant income. The research and development risk as well as the financing and liquidity risk are covered primarily by equity and debt financing, the use of support programmes by the Austrian Research Promotion Agency (Österreichische Forschungsförderungsgesellschaft, or FFG) and the research premium from the Austrian government as well as external research contracts.

As of February 25, 2019, the Company was granted a loan by the European Investment Bank (EIB) in the amount of up to kEUR 15,000, which is covered by a guarantee of the European Fund for Strategic Investments (EFSI). This venture debt loan bears interest at customary market rates. In October 2019, Marinomed called the first tranche in the amount of kEUR 4,000, in December 2020 the second tranche amounting to kEUR 5,000, in February 2022 the third tranche amounting to kEUR 6,000. The loan will be settled in financial years 2023-2027.

Furthermore in November 2020 and October 2021 both tranches of the real estate financing (ERP loan) for the construction of the new headquarters in Korneuburg, amounting to a total of kEUR 3,800, were drawn. The second part of the financing, provided by NÖ Bürgschaften und Beteiligungen GmbH (NÖBEG), was drawn down in December 2021 and in May 2022 (kEUR 1,200).

In October 2021 Marinomed secured financing in a total amount of up to kEUR 5,400 via a flexible Convertible Notes Funding Program (CNFP) from the Swiss investment firm Nice & Green S.A. Under the terms of the agreement, Marinomed Biotech AG is entitled to issue up to 18 tranches of zero-coupon convertible bonds of up to kEUR 300 per tranche during the contractual period of approximately 23 months. Nice & Green S.A. has committed to subscribing for those convertible notes and requesting the conversion into ordinary shares of the Company within a specific period after their issuance.

The Company's ability to generate profits depends on further revenues from licensing and milestone payments under existing contracts and contracts currently under negotiation for the commercialisation of existing and future products and technologies.

The Management Board expects that the available liquid funds and the financing already promised will be sufficient to cover the operating expenses and investments for the primary forecast period (until December 2023). On the basis of the financials as of June 30, 2022 and the updated financial forecast various scenarios for the growth of the company, as part of the validation of the going concern prognosis, were analyzed.

Against this background, the Management Board expects that the liquidity for the Company can most probably be maintained in the primary forecast period (until December 2023) even without additional financing measures and that positive annual results can be achieved in the secondary forecast period. Therefore, there is a favorable going

concern prognosis.

These interim condensed consolidated financial statements have therefore been prepared on a going concern basis that contemplates that the Company will continue in its operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

War in Ukraine
It must be feared that the war in Ukraine will have long-term effects on many areas and that a slowdown in economic growth is to be expected in conjunction with the corona pandemic. In addition to rising inflation, this can lead to lower customer demand. Marinomed has not had any sales in Ukraine or Russia so far. Neither country will be considered as a target market for Marinomed products in the foreseeable future.

2.2. Application of new and revised International Financial Reporting Standards (IFRSs)

New and revised standards and interpretations that are effective for the current year

The following amendments and interpretations that are mandatorily effective for an accounting period that begins on or after January 1, 2022, do not have a material impact on the interim condensed consolidated financial statements of the Company:

Amendment	Date of Publication	Date of Endorsement	Effective Date (EU)
Amendments to IFRS 16 Leases (issued on 31.03.2021)	31.03.2021	30.08.2021	01.04.2021
Amendments to: IFRS 3 Business Combinations IAS 16 Property, Plant and Equipment IAS 37 Provisions, Contingent Liabilities and Contingent Assets Annual Improvements 2018-2020	14.05.2020	28.06.2021	01.01.2022

New and amended standards that will be effective in future periods:

Standard / Amendment	Date of Publication	Date of Endorsement	Effective Date (EU)
IFRS 17 Insurance Contracts including Amendments to IFRS 17 (issued on 25.06.2020)	18.05.2017 25.06.2020	19.11.2021	01.01.2023
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies	12.02.2021	02.03.2022	01.01.2023
Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	12.02.2021	02.03.2022	01.01.2023

Standard / Amendment (Pending Adoption into EU Law)	Date of Publication	Effective Date (IASB)
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	23.01.2020 15.07.2020	01.01.2023
Amendments to IAS 12 Income Taxes: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	07.05.2021	01.01.2023
Amendments to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information	09.12.2021	01.01.2023

2.3. Segment reporting

In the first half 2022, the Company reports the segments Virology, Immunology and Other. Virology combines activities from marketed products and research and development of new products based on the active ingredient Carragelose. and, therefore, is directly comparable with the former Carragelose Segment. Immunology, with a focus on autoreactive immune disorders, largely corresponds to the Marinosolv segment reported in previous financial reports. The remaining activities, which cannot be attributed to Virology or Immunology, are reported as "Other". This segment also includes income and expenses related to the Solv4U business unit which allows external customers access to the Marinosolv technology (formerly reported in the Marinosolv segment).

Due to a seasonality in sale of goods, revenues are typically higher in the second half-year.

The reporting format was derived from the Company's internal reporting. IFRS segment information is provided to the management. In the first half 2021 non-recurring items solely include income related to the waiver of commercialisation rights by a European licensing partner.

The following is an analysis of the Company's revenues and operating result (EBIT) by reportable segment.

Period ended June 30, 2021 all amounts in kEUR	Virology	Immunology	Other	Total
Total revenues	3,193.2	-	21.4	**3,214.5**
Of which sale of goods	*3,031.3*	-	-	**3,031.3**
Austria	*75.1*	-	-	**75.1**
Other European countries	*2,341.5*	-	-	**2,341.5**
Non-European countries	*614.7*	-	-	**614.7**
Of which other revenues	*161.8*	-	*21.4*	**183.2**
Austria	*130.4*	-	*4.3*	**134.7**
Other European countries	*24.6*	-	-	**24.6**
Non-European countries	*6.8*	-	*17.1*	**23.9**
Cost of goods sold	–1,956.9	-	-	**–1,956.9**
Contract research	–1,099.9	–780.2	-	**–1,880.1**
Personnel expenses	–663.2	–592.3	–1,038.8	**–2,294.3**
Other miscellaneous income/expense	–115.9	204.8	–831.8	**–742.9**
Depreciation and amortisation	–139.7	–50.2	–94.8	**–284.8**
Non-recurring items	300.0	-	-	**300.0**
Operating result (EBIT)	**–482.5**	**–1,218.0**	**–1,944.0**	**–3,644.5**

Period ended June 30, 2022 all amounts in kEUR	Virology	Immunology	Other	Total
Total revenues	4,842.9	-	56.8	**4,899.7**
Of which sale of goods	*4,591.1*	-	-	**4,591.1**
Austria	*55.7*	-	-	**55.7**
Other European countries	*2,485.2*	-	-	**2,485.2**
Non-European countries	*2,050.2*	-	-	**2,050.2**
Of which other revenues	*251.8*	-	*56.8*	**308.6**
Austria	*186.9*	-	-	**186.9**
Other European countries	*26.4*	-	*25.5*	**51.9**
Non-European countries	*38.5*	-	*31.3*	**69.8**
Cost of goods sold	–3,100.7	-	-	**–3,100.7**
Contract research	–386.4	–114.7	–0.2	**–501.3**
Personnel expenses	–656.9	–813.2	–989.2	**–2,459.3**
Other miscellaneous income/expense	–146.4	–44.1	–837.1	**–1,027.6**
Depreciation and amortisation	–120.6	–119.5	–91.9	**–332.0**
Operating result (EBIT)	**432.0**	**–1,091.5**	**–1,861.6**	**–2,521.2**

3. Other income

Other income consists of the following items:

Period ended June 30 all amounts in kEUR	2022	2021
Grant income	113.9	394.1
Research premium	380.6	509.5
Other income	47.3	352.4
Total	**541.8**	**1,256.0**

Grant income mainly consists of a FFG grant for the development of a SARS-CoV-2 therapy based on Carragelose. This grant is non-refundable, except in the case of non-compliance with the agencies' rules and regulations or in the case of misuse of the funds. In 2021 other income includes income related to the waiver of commercialisation rights by a European licensing partner amounting to kEUR 300.

4. Personnel expenses

On February 1, 2019, Marinomed established ESOP 2019 for the members of the management board as well as all other employees of the Company. The total number of options that may be granted under ESOP 2019 is 43,694 and each option entitles the option holder to subscribe for one voting share. The options expire without further compensation on January 31, 2025 at the latest. If the employment is effectively terminated, the options that have not yet vested expire immediately. However, vested options may be exercised in the exercise period following termination, depending on the achievement of the hurdle rate. In the first half year, the share price remained below the hurdle rate and, therefore, it was not possible to exercise options during this time. In the reporting period the stock options developed as follows:

Number of issued stock options	As of December 31, 2021	Additions	Exercised options	Expired options	As of June 30, 2022	Therof vested
Management board	20,897	-	-	-	20,897	16,800
Employees	12,879	-	-	675	12,204	8,758
Total	**33,776**	**-**	**-**	**675**	**33,101**	**25,558**

5. Other expenses

Other expenses include the following items (nature of expenses):

Period ended June 30 all amounts in kEUR	2022	2021
Fees	–25.2	–33.5
Maintenance expenses	–120.7	–107.2
Operating costs	–33.1	–29.1
Insurance	–16.2	–27.3
Freight	–11.4	–20.7
Travel expenses	–11.6	–3.4
Car expenses	–5.5	–6.4
Telecommunication expenses	–17.6	–16.4
Relocation expenses	-	–25.2
Education expenses	–20.0	–20.2
Office and administrative expenses	–17.5	–17.9
Marketing/PR expenses	–116.7	–237.3
Consulting expenses	–696.4	–522.7
Other expenses	–72.0	–11.0
Total	**–1,163.8**	**–1,078.4**

Consulting expenses include expenses for legal advice and other consulting services.

6. Research and development expenses

The Company has incurred research and development expenses which are included in the following positions in the statement of profit or loss and other comprehensive income (loss):

all amounts in kEUR	1-6/2022	1-6/2021	4-6/2022	4-6/2021
Personnel expenses	–1,111.4	–1,044.2	–578.5	–508.1
Expenses for services	–545.4	–1,943.6	–243.6	–927.4
Expenses for materials	–133.6	–243.5	–102.4	–138.4
Other expenses	–215.2	–170.2	–111.6	–78.8
Depreciation and amortisation	–246.9	–190.7	–122.1	–104.0
Financial expenses	–1,075.0	–684.5	–597.6	–350.0
Total	**–3,327.4**	**–4,276.6**	**–1,755.8**	**–2,106.7**

Clinical research activity is cyclical and consists of alternating phases in which studies (mainly in-house) are prepared or evaluated and phases in which clinical studies (external) are carried out. The focus is currently on internal work, both in relation to the evaluation of the Tacrosolv study and the corona-related studies as well as the preparation of future studies in both therapeutic areas of immunology and virology. In this respect, the (external) costs for research activities are below the level of the previous year.

7. Financial income and expenses

Period ended June 30 all amounts in kEUR	2022	2021
Interest income		
Bank deposits	0.0	0.0
Total	**0.0**	**0.0**
Interest and similar expenses		
EIB loan	–1,043.0	–643.3
Real estate financing	–56.0	–32.9
Other interest and similar expenses	–97.2	–43.6
Total	**–1,196.2**	**–719.8**
Other financial income/(expenses)		
Adjustments of carrying amount - income (according to IFRS 9.B5.4.6)	32.7	-
Adjustments of carrying amount - expenses (according to IFRS 9.B5.4.6)	–150.2	–11.1
Total	**–117.6**	**–11.1**
Total financial result	**–1,313.8**	**–730.9**
Of which financial income	*32.7*	*0.0*
Of which financial expenses	*–1,346.4*	*–730.9*

8. Property, plant and equipment

all amounts in kEUR	IT equipment	Laboratory equipment	Other plant and office equipment	Right-of-use asset	Land and buildings	Prepayments, buildings under construction	Total
As of January 1, 2021							
Cost	221.4	609.3	203.6	-	2,651.7	2,962.0	6,648.0
Accumulated depreciation	−96.8	−393.3	−76.7	-	−44.7	-	−611.6
Carrying amount	**124.6**	**216.0**	**126.9**	**-**	**2,607.0**	**2,962.0**	**6,036.4**
Period ended June 30, 2021							
Beginning carrying amount	124.6	216.0	126.9	-	2,607.0	2,962.0	6,036.4
Additions	18.1	14.7	157.3	-	86.6	357.2	633.9
Disposals	-	-	-	-	-	−3.5	−3.5
Reclassifications	-	-	173.8	-	3,141.9	−3,315.7	-
Depreciation	−23.7	−21.4	−34.4	-	−76.4	-	−155.8
Carrying amount	**119.0**	**209.3**	**423.7**	**-**	**5,759.0**	**-**	**6,511.1**
As of January 1, 2022							
Cost	253.2	646.5	540.5	49.6	5,887.5	-	7,377.2
Accumulated depreciation	−137.6	−436.0	−151.5	−1.6	−218.8	-	−945.5
Carrying amount	**115.5**	**210.4**	**389.0**	**48.1**	**5,668.7**	**-**	**6,431.7**
Period ended June 30, 2022							
Beginning carrying amount	115.5	210.4	389.0	48.1	5,668.7	-	6,431.7
Additions	50.4	7.1	16.2	-	23.9	-	97.5
Disposals	−0.2	-	−12.2	-	-	-	−12.4
Reclassifications	-	-	-	-	-	-	-
Depreciation	−21.8	−22.2	−40.9	−3.1	−98.3	-	−186.3
Carrying amount	**143.9**	**195.4**	**352.1**	**45.0**	**5,594.2**	**-**	**6,330.6**
As of June 30, 2022							
Cost	302.7	653.5	491.7	49.6	5,911.4	-	7,408.9
Accumulated depreciation	−158.7	−458.2	−139.6	−4.7	−317.1	-	−1,078.3
Carrying amount	**143.9**	**195.4**	**352.1**	**45.0**	**5,594.2**	**-**	**6,330.6**

9. Financial instruments

As of December 31, 2021 all amounts in kEUR	Financial assets at amortised cost
Assets as per statement of financial position	
Non-current receivables	0.5
Trade and other receivables	3,576.9
Cash and cash equivalents	5,802.1
Total	**9,379.5**

all amounts in kEUR	Financial liabilities at amortised cost	FVTPL
Liabilities as per statement of financial position		
Borrowings	15,798.3	-
Current contract liabilities and other current liabilities	1,161.8	28.6
Trade payables	1,994.9	-
Total	**18,955.0**	**28.6**

As of June 30, 2022 all amounts in kEUR	Financial assets at amortised cost
Assets as per statement of financial position	
Non-current receivables	0.5
Trade and other receivables	3,122.0
Cash and cash equivalents	11,040.7
Total	**14,163.2**

all amounts in kEUR	Financial liabilities at amortised cost	FVTPL
Liabilities as per statement of financial position		
Borrowings	22,687.4	-
Current contract liabilities and other current liabilities	778.0	31.9
Trade payables	1,406.9	-
Total	**24,872.4**	**31.9**

The following table shows a comparison by class of the carrying amounts and fair values of the Company's borrowings, other than those with carrying amounts that are reasonable approximations of fair values:

all amounts in kEUR	30.06.2022	31.12.2021
Carrying amount		
EIB loan	17,024.7	10,243.3
Real estate financing	4,871.2	4,649.9
Other borrowings	745.5	851.0
Total	**22,641.5**	**15,744.2**
Fair Value		
EIB loan	17,024.7	10,243.3
Real estate financing	5,004.7	4,794.6
Other borrowings	790.1	889.5
Total	**22,819.5**	**15,927.5**

The carrying amount of current borrowings is a reasonable approximation of their fair value, as the impact of discounting is not significant. The carrying amounts for current trade receivables and trade payables are assumed to approximate their fair value due to their relatively short maturity.

10. Capital and reserves

At the annual general meeting held on September 17, 2020 resolutions were adopted to cancel the existing Authorised Capital 2018 (500,000 shares) and to authorise the management board in accordance with Section 169 of the Austrian Stock Corporation Act to increase the Company's share capital by up to 736,017 shares by September 16, 2025, subject to the partial disapplication of pre-emption rights and partial authorisation to disapply pre-emption rights, if necessary in several tranches, against cash and / or contribution in kind by issuing up to 736,017 new no-par value bearer shares at a minimum issue price of EUR 1 per share (proportionate amount of share capital per share) and to increase the issue amount, issue conditions and other details of the capital increase to be determined in agreement with the Supervisory Board ("Authorised Capital 2020").

In addition, the Conditional Capital 2019 (100,000 shares) was reduced by 56,306 to 43,694 no-par value bearer shares, and a resolution was passed for conditional capital of up to 54,000 bearer shares for the purpose of servicing stock options under the Stock Option Plan 2020 ("Conditional Capital 2020"). In accordance with the resolution of the Annual General Meeting on June 15, 2022, this conditional capital can also be used to service stock options under the Stock Option Plan 2022.

At the annual general meeting held on June 17, 2021, the management board was authorised in accordance with Section 174 (2) of the Austrian Stock Corporation Act to issue financial instruments, i.e. convertible bonds, participating bonds or participation rights, which can provide for the subscription to and/or exchange for shares, including the authorisation to disapply shareholders' pre-emption rights to these financial instruments with the approval of the Supervisory Board. In addition, the "Conditional Capital 2018" was cancelled and the conditional increase in the Company's share capital pursuant to Section 159 (2) 1. of the Austrian Stock Corporation Act was resolved for the issue of financial instruments to creditors ("Conditional Capital 2021").

11. Commitments

The Company has entered into a number of agreements which also entail financial commitments for the future and mainly relate to services provided by third parties in connection with the implementation of clinical trials and other research and development activities. The remaining payments to be made under these agreements, if all milestones and other conditions are met, are estimated as follows:

all amounts in kEUR	30.06.2022	31.12.2021
No later than 1 year	721.7	792.7
Later than 1 year and no later than 5 years	71.6	87.7
Later than 5 years	-	-
Total	**793.3**	**880.4**

12. Related party transactions

In 2019 the Company entered into a consultancy contract with the Chairman of the supervisory board in relation to certain business development activities. In the first half 2022 expenses related to this contract amounted to kEUR 15 (H1/2021: kEUR 15). The resulting open liability amounts to kEUR 8 as of June 30, 2022 (December 31, 2021: kEUR 8).

All transactions with related parties are carried out at arms-length principle.

13. Events after the balance sheet date

There were no significant events after the balance sheet date that would have an impact on these interim condensed consolidated financial statements.

The interim condensed consolidated financial statements were reviewed by the auditor.

Korneuburg, 24.08.2022
Andreas Grassauer

Korneuburg, 24.08.2022
Eva Prieschl-Grassauer

Korneuburg, 24.08.2022
Pascal Schmidt

Report on the review of the interim condensed consolidated financial statements

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements as of June 30, 2022 of Marinomed Biotech AG, Korneuburg, (Referred to as "Company" or "Marinomed") comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and selected notes to the interim condensed consolidated financial statements for the period from January 1, 2022 to June 30, 2022.

The Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the EU.

Our responsibility is to issue a report on these interim condensed consolidated financial statements based on our review.

Responsible for the proper performance of the engagement is Mr Gerhard Fremgen, Austrian Certified Public Accountant.

With reference to § 125 Abs. 3 Austrian Stock Exchange Act (BörseG) our responsibility and liability is based on § 275 Abs. 2 Austrian Commercial Code.

Scope of review

We conducted our review in accordance with laws and regulations applicable in Austria, especially in accordance with KFS/PG 11 "Standard on Review Engagements" and the "International Standard on Review Engagements 2410, review of interim financial information performed by the independent auditor of the entity".

A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material aspects, in accordance with the International Financial Reporting Standards applicable to interim financial reporting, as adopted by the EU.

Reporting on the half-year management report and the declaration of the representatives in accordance with § 125 of the Austrian Stock Exchange Act (BörseG)

We have read the half-year management report and assessed whether it has any obvious contradictions to the interim condensed consolidated financial statements. In our opinion, the half-year management report does not contain any obvious contradictions to the interim condensed consolidated financial statements.

The half-year financial report includes the declaration by the legal representatives as required by section 125 paragraph 1 item 3 of the Austrian Stock Exchange Act (BörseG).

Vienna, August 24, 2022

BDO Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Gerhard Fremgen	ppa. Christoph Leutgeb
Auditor	Auditor

We draw attention to the fact that the English translation of the report on the review of the interim condensed consolidated financial statements is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Statement by the management board

Pursuant to section 125 (1) 3. of the Austrian Stock Exchange Act

We confirm to the best of our knowledge that the interim condensed consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Marinomed Biotech AG as required by the applicable accounting standards and that the management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial statements, and of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Korneuburg, 24.08.2022
Andreas Grassauer, CEO

Korneuburg, 24.08.2022
Eva Prieschl-Grassauer, CSO

Korneuburg, 24.08.2022
Pascal Schmidt, CFO

Legal notice

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Due to the financial rounding of individual items and percentages in this report, it may contain minor calculation differences.

This report contains forward-looking statements that were prepared on the basis of all the information available at the time. Various factors mean that actual performance may differ from the expectations set out here. Marinomed Biotech AG will not update these forward-looking statements, either on account of changes in actual circumstances or due to changes in assumptions or expectations. This report does not constitute a recommendation or solicitation to buy or sell securities of Marinomed Biotech AG.

Misprints and typographical errors excepted.
Published in August 2022.

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