2021

Marinomed Biotech AG

Half-Year Financial Report 2021

Table of contents

Dear shareholders,

While COVID vaccination programmes around the world are ongoing, the pandemic continues. SARS-CoV-2 is establishing itself as an endemic virus and it will remain a public health threat. The recent emergence and spread of the delta variant of concern is no surprise and further variants now named kappa, epsilon, eta, iota and lambda are already on the horizon. In this environment, we further advanced the antiviral Carragelose products from Marinomed and continued our long-term strategy with the parallel advancement of Marinosolv programmes.

Carragelose: No cold and flu season but seasonality in the coronavirus pandemic

From a scientific perspective, one measure seems straight forward; In vitro data suggest that Carragelose is effective against new variants of concern, and the mode of action of Carragelose promises to be impervious to future mutations. Clinical data from a multicentre trial in Argentina suggest an 80 % protection of healthcare personnel from COVID-19 when treated with Carragelose nasal spray. Data from a Marinomed-sponsored study show that the use of Carragelose lozenges creates an impressive barrier against SARS-CoV-2 and other viruses. Increasing scientific evidence shows that Carragelose is a safe and effective complement to vaccination strategies, especially for those who are too young or otherwise not eligible for vaccination.

Current Marinomed priorities:

1. Focusing on ongoing clinical studies on Carragelose efficacy against SARS-CoV-2. The studies with healthcare personnel face recruiting challenges due to increasing vaccination rates. The therapeutic inhalation trial is not directly affected by vaccination rates, but was paused for the summer due to declining incidence. We plan to enrol further patients in the trial in autumn 2021.
2. Preparation of launches in countries so far not reached with Carragelose products including new partnerships.
3. Generation of important data to support the use of Carragelose in the battle against COVID-19 and its variants of concern. We expect this should have a long-term positive impact on sales and might also convince policymakers.
4. Continuation of discussions and negotiations with potential international partners. We are confident to be on the right track to further expand the geographical reach of Carragelose.

Carragelose products gained market share in many markets. While pharmacies reported declining sales in the cough and cold segment, sales of Carragelose products increased. However, with the pandemic moving into a more endemic phase, we expect the return of the typical seasonality of sales. This effect can already be seen in the current figures and will likely become more evident in the next months.

Marinosolv: significant future potential

The Marinosolv projects are advancing. Marinomed has reported top-line results from a Phase II trial for Tacrosolv, a fully solubilised formulation of the highly potent immunosuppressant Tacrolimus. The data strongly support our hypothesis that fully solubilised Tacrolimus

can be developed as an effective therapy for ocular inflammation including dry eye disease and allergic rhinoconjunctivitis (hay fever). The placebo-controlled clinical trial was conducted at the Vienna Challenge Chamber (Austria) to assess safety and efficacy of two different doses of Tacrosolv. The applied doses contained only 2.5 % and 5 % of the dose used in Tacrolimus eyedrops that are marketed in Japan as a suspension for the treatment of vernal conjunctivitis. After one week of treatment, the higher dose of Tacrosolv resulted in a statistically significant reduction of ocular symptoms compared to the placebo treatment. Additionally, nasal symptoms showed a significant reduction. These results indicate the high potential of tacrolimus as an effective treatment for ocular inflammation caused by allergic conjunctivitis and other allergic manifestations.

Our business development activities for the Marinosolv platform are currently focusing on Budesolv and Flutisolv, two late-stage product candidates for the treatment of allergic rhinitis. The pandemic still poses a challenge for partnering discussions. In addition, international regulatory differences and differences in manufacturing requirements impede a straightforward licensing process. However, we continue our discussions with potential partners in several regions. Thus, we are confident that the Marinosolv product candidates Budesolv and Flutisolv will have a substantial impact in the market for allergic rhinitis.

With the ability to provide soluble formulations of even the most hydrophobic substances, the Marinosolv technology can provide a solution to a central challenge in pharmaceutical development. This is increasingly recognised by third-party pharma companies for whom we are successfully performing feasibility studies, and we are exploring further business opportunities in this area. We see great potential in the Marinosolv technology platform and consider it a key value driver of our company over the long-term.

Growth in H1/2021

After a strong first quarter, the demand for Carragelose products in Q2 saw first signs of a return of pre-pandemic seasonality. In total, we were able to increase our revenues to EUR 3.2 million in the first half of 2021 (H1/2020: EUR 2.3 million). In addition, governmental support for our Carragelose R&D activities and other income generated another EUR 1.2 million bringing total income to EUR 4.5 million (H1/2020: 2.8 million). With expenses of EUR 4.3 million, our research and development activities for both platforms, Carragelose and Marinosolv, mainly due to the clinical studies further increased (H1/2020: 2.2 million). Therefore, in line with our expectations, the loss for H1/2021 came in at EUR 4.4 million (H1/2020: EUR 3.2 million).

Outlook for the fiscal year

The first half year still showed pandemic related seasonal effects, but we saw first signs of the return of regular seasonality. We expect Carragelose sales to continue to grow, but below the 2020 level. We plan to slightly increase R&D spending and will focus more on Marinosolv again, as this segment has significant untapped potential. We confirm our 2021 outlook. In line with

our business plan, we expect an operating loss for 2021 and we are aiming at profitability in the medium term.

Again, we would like to express our sincere gratitude to our employees for their continued outstanding dedication in these extraordinary times. Their commitment and expertise allow us to look to the future with great confidence regardless of the challenging circumstances that we are still facing. We would also like to thank all our investors, 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 stock

Shares in Marinomed Biotech AG have been trading on the Vienna Stock Exchange since February 1, 2019. They are listed in the prime market segment and form part of the ATX Prime index.

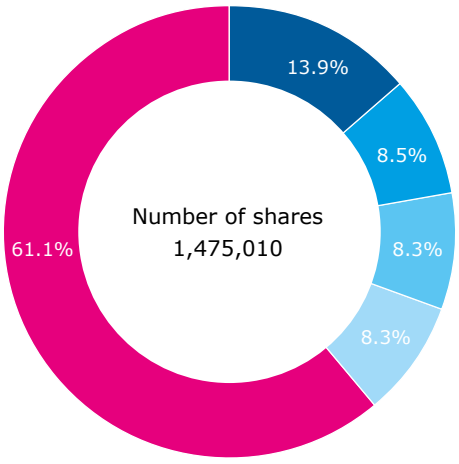
ISIN	ATMARINOMED6
Share class	No-par value bearer shares
Share capital (as at August 20, 2021)	EUR 1,475,010 (1,475,010 shares)
Ticker	Symbol MARI
Issue price (IPO) on 1.2.2019	EUR 75.00
Current price (as at August 20, 2021)	EUR 110.50
Market capitalisation (as at August 20, 2021)	EUR 163.0 million

Share price performance Marinomed Biotech AG

(ATMarinomed6, EUR)
01.02.2019 – 20.08.2021

Shareholder structure

As at August 20, 2021 the founders and management team of Marinomed are the core shareholders with 27% (thereof 2% free float) of total shares. Long-term investor Acropora holds some 14% of shares, while approximately 61% are in free float.



- Acropora Beteiligungs GmbH
- Hermann Unger
- Andreas Grassauer (CEO)
- Eva Prieschl-Grassauer (CSO)
- Free Float

Note: rounding differences possible

Financial calendar

24.11.2021	Publication of Q3 Report 2021

Half-year management report

Market environment

As a biopharmaceutical company, Marinomed is firmly established in the global pharmaceutical and biotechnology market environment.

Pharmaceutical market

The global pharmaceutical market is a growth market that is heavily impacted by the coronavirus pandemic. It has been estimated to have a volume of around USD 1.3 trillion in 2020 (source: IQVIA), with the market for COVID-19 vaccines to be worth up to USD 91 billion in 2021 according to estimates (source: Globaldata). The COVID-19 pandemic impacts the pharmaceutical industry on many levels. SARS-CoV-2 vaccines and medications are being developed, global supply chains have come under pressure, and at the same time it has been politically recognised that the procurement of essential drugs can be a challenge in times of crisis. The pharmaceutical industry is less affected by the global economic crisis than other sectors of the economy. Long-term trends remain in place. These include price pressure, but also the increasing standard of living in Asia and other growth regions, which overall lead to positive growth prospects for the sector.

The pharmaceutical and biotechnology industries also play a significant role in the Austrian economy. More than 1,000 companies are involved in the life sciences sector in Austria, with 150 companies employing 18,000 staff in the pharmaceutical industry investing millions in research and development and generating 2.8% of the country's gross domestic product (source: Pharmig). Since its IPO in 2019, Marinomed has been the only life science company listed in the prime market of the Vienna Stock Exchange and as such has developed into a leading company in the sector.

Target market for Carragelose

Data published at the start of the year on the efficacy of Carragelose against SARS-CoV-2 in cell culture assays and in clinical studies open up great opportunities for Marinomed. This will help to increase awareness of the Carragelose brand, strengthen the demand for Carragelose products and further drive their sale. Marinomed searches for ways to make the public sector consider the Carragelose products as part of a comprehensive prevention strategy. This potential may now be addressed, as mutations reduce the effectiveness of vaccines and the necessity to rely on additional pillars in the combat against COVID-19 is becoming more widely recognised. The Carragelose products give consumers the opportunity to easily purchase an approved, virus-blocking product without a prescription. The products could also provide an opportunity for those groups that cannot be vaccinated, such as children under 12 or those with severe allergies. Marinomed believes that the pandemic has changed public awareness of the dangers of viral respiratory infections in the long term.

Due to the measures taken against coronavirus infections, there has been no classic flu outbreak in the 2020/21 season and the sale of OTC products in the colds segment dramatically declined in some cases. While Carragelose products are also affected by this development, this

was more than compensated by the prophylactic effect against coronaviruses. Recently, there has also been an increase in reports of product developments that claim a similar broad anti-virus activity as Carragelose without providing scientific evidence or clinical data. Although the success of competitors' product development cannot be ruled out, Carragelose has a unique product profile with its excellent safety record, broad effectiveness against respiratory viruses and, last but not least, patent protection.

Target market for Marinosolv

Budesolv, the first product based on the Marinosolv platform, targets the market for allergic rhinitis. In 2019, the market for the treatment of allergic rhinitis was already estimated at USD 14 billion and is expected to generate USD 18 billion in 2027 with annual growth rates of almost 4% (source: Coherent Market Insights, Allergic Rhinitis Treatment Market Analysis; August 2020). The market for nasal steroids is experiencing stronger growth than the allergic rhinitis market as a whole and, with a 38% share of the overall market, has been the most important segment since 2018 (source: Visiongain Allergic Rhinitis 2018). This development is partly due to the increasing switch of steroid nasal sprays from prescription to OTC status.

Based on the universal applicability of the Marinosolv platform, Marinomed has initiated further product developments. A clinical study is currently being prepared for Flutisolv, another nasal spray for the treatment of allergic rhinitis based on the corticosteroid fluticasone. Furthermore, Marinomed successfully conducted a clinical phase II trial with Tacrosolv, eye drops containing the immunomodulator tacrolimus, in allergic rhinoconjunctivitis. This product targets the ophthalmology market, with broader applicability in additional sub-segments such as dry eye syndrome. Both markets are currently undersupplied, which means that new and innovative drugs have the chance to reach a large group of patients.

In addition to in-house product developments based on the Marinosolv platform, the technology is suitable for an enormous number of other active ingredients. By creating a new business unit for external customers, Marinomed has therefore taken the next step to make the Marinosolv technology available to third parties. The IPOs in 2020 of two companies specialising in improved drug formulations, Nanoform from Finland and Hyloris from Belgium, show that there is a strong demand on the market for new technologies aimed at improving the availability and efficacy of active ingredients.

Business performance

Marinomed reports in line with the two technology platforms separately for the Marinosolv and Carragelose operating segments. 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.

Carragelose segment

The product portfolio of the virus-blocking Carragelose technology, consisting of four nasal sprays already on the market and two throat products, showed a significant year-on-year increase in revenues of EUR 0.9 million or +42% in the first half of 2021. The key growth driver is higher demand in many countries, which can be attributed to positive data on the anti-SARS-CoV-2 activity of the Carragelose products that distribution partners can use for marketing purposes. This growth has to be interpreted in the context of an overall weak cough and cold market. According to IQVIA, the pharmacy sales volume of cough and cold products in Austria decreased by 46% year-on-year between January and June 2021.

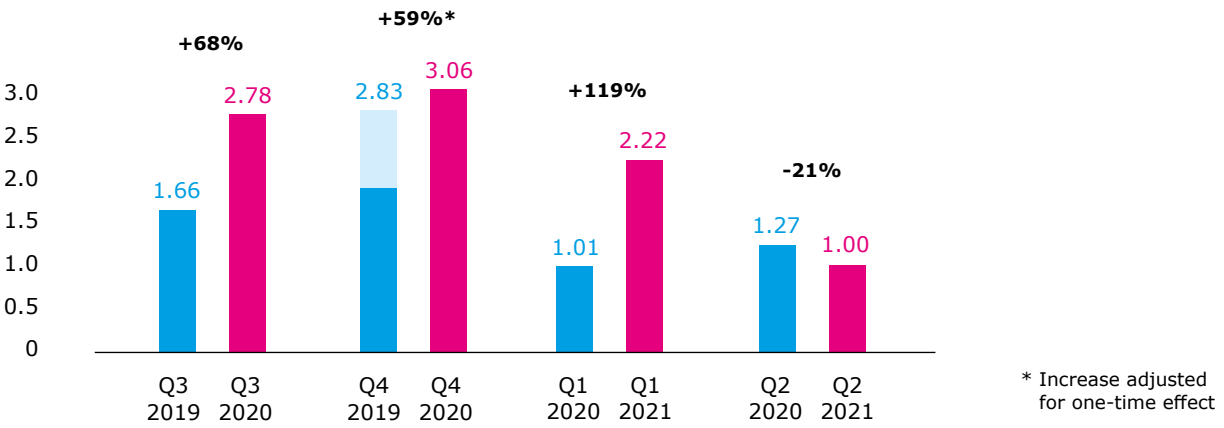
Marinomed continues to see great growth potential in the pharmaceutical market for OTC products while the competitive pressure remains high. The outbreak of the COVID-19 pandemic has triggered an unexpected change in the market. On the one hand, the market for over-the-counter drugs and medical devices for respiratory diseases is experiencing an extreme decline, as the lockdowns curb the spread not only of SARS-CoV-2, but of other respiratory viruses as well. On the other hand, Marinomed was able to show in laboratory studies that the Carragelose products are effective against SARS-CoV-2, which is now also supported by clinical data. This has created the basis for the sales partners in the regions to position the product in the fight against the pandemic. The data against SARS-CoV-2 also support Marinomed's efforts to drive forward the optimisation of sales partnerships and win new partners for certain regions. However, investments in additional clinical data are still required. The related R&D expenses are funded to a large extent by the Emergency Grant KLIPHA-COVID19 of the Austrian Research Promotion Agency FFG.

Marinosolv segment

The Marinosolv technology is still in the development stage and Marinomed holds all IP and licensing rights. This segment is characterised by high expenditures for research and development, which might result in the generation of revenues only in subsequent years. Marinomed is now concentrating its efforts in this area on further regulatory preparations for marketing approval and on discussions with potential marketing partners in various geographical regions.

The COVID-19 pandemic had a delaying effect on the Marinosolv segment. Marinomed's increased focus on the Carragelose platform and the authorities' concentration on combatting the pandemic also impacted the progress of Budesolv, the most advanced product of the Marinosolv platform. The company has continued

Revenues in EUR million



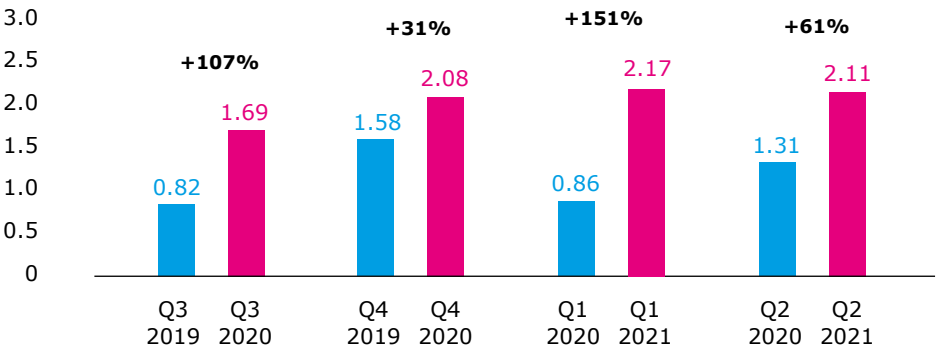
its preparations for the registration procedure despite delays in production validation and slower responses of the authorities. Partnering processes were also made more difficult and slowed down due to the new challenges and the partial shift in priorities.

The phase II dose finding study with Tacrosolv to treat allergic rhinoconjunctivitis (hay fever) was started in 2021 and the therapeutic part was completed in April with encouraging topline data communicated in July this year. After one week of treatment, the higher dose (only 5% of the dosis ever used in eye drops) resulted in a statistically significant reduction of ocular symptoms 3.5 hours after the challenge with allergens. The large amounts of data are currently being analysed and will be published subsequently.

The data of the pivotal clinical phase III study for the lead product Budesolv were published in 2020 in the journal Clinical & Experimental Allergy. Marinomed has also succeeded in dissolving other active ingredients based on Marinosolv technology. These include the poorly soluble compound pergolide, which the University of Utah successfully used in a preclinical study, fluticasone propionate, and a new formulation of a drug in use against autoimmune gastritis.

In the first half 2021, the technology platform also generated sales from third parties who were able to improve solubility with Marinosolv formulations. The successful completion of these feasibility studies opens up the possibility for customers to continue their developments through and with Marinosolv. Marinomed assumes that further commercial exploitation of these developments is highly likely to result in further revenue growth.

R&D expenses in EUR million



Revenues and earnings

In the first half 2021, Marinomed significantly increased its revenues — which were generated almost exclusively in the Carragelose segment — by 41% to EUR 3.21 million (H1/2020: EUR 2.28 million). Revenue on a quarter for quarter comparison decreased by 21%. This is mainly related to the return to seasonality. Due to a significant drop in sell out from pharmacies in the cough and cold segment during the fourth quarter 2020 and first quarter 2021, distribution partners reduced orders for Q2 or pushed orders into the season towards end of the year. Other income increased to EUR 1.24 million (H1/2020: EUR 0.47 million). This is primarily due to grants for research on Carragelose-based SARS-CoV-2 therapy (Emergency Grant KLIPHA-COVID19) and income related to the waiver of commercialisation rights by a European licensing partner. As in the previous year, other income also included the government research premium.

Due to a significant increase in sales of goods in the first half 2021, expenses for materials increased to EUR 2.18 million (H1/2020: EUR 1.56 million). The gross margin substantially rose from 26% to 35%. As a result of higher investments, in particular for clinical development projects, expenses for purchased services rose from EUR 0.97 million in the first half 2020 to EUR 2.28 million in the reporting period. Personnel expenses include expenses for the employee stock option plan, and at EUR 2.29 million in the first half 2021, they were slightly above the previous year's figure of EUR 2.02 million. Other expenses slightly increased to EUR 1.07 million (H1/2020: EUR 0.89 million). This is mainly due to intensified PR activities.

The high level of investment in Marinomed's future trajectory was reflected in the company's earnings performance. In the first half 2020, expenditure on research and development climbed by 97% to EUR 4.28 million (H1/2020: EUR 2.17 million). Accordingly, the operating result (EBIT) of EUR -3.64 million was below the prior-period figure of EUR -2.89 million. The financial result came in at EUR -0.73 million (H1/2020: EUR -0.33 million). The decrease results from the call of the second tranche of the EIB loan in the amount of EUR 5.00 million in December 2020.

The loss for the period therefore came in at EUR -4.38 million, after EUR -3.23 million in H1/2020.

Net assets and financial position

The net assets and financial position largely reflect the negative earnings, which is to be expected for a biopharmaceutical firm during the development stage. The funding measures performed in the financial years 2015 to 2020 enable the long-term investment in research and development.

Total assets decreased from EUR 23.50 million as of December 31, 2021 to EUR 18.40 million as of the reporting date. Non-current assets amounted to EUR 8.60 million compared to EUR 8.11 million at year-end 2020. Current assets decreased to EUR 9.80 million (Q4/2020: EUR 15.40 million).

As at the reporting date, equity stood at EUR 1.22 million compared to EUR 5.36 million as of end-December 2020. As of June 30, 2021 equity according to Austrian Commercial Code (UGB) was negative as planned. However, it is more likely than not that liquidity is ensured until the end of 2023.

Non-current liabilities remained almost unchanged at EUR 13.06 million, after EUR 12.54 million as of December 31, 2020. Current liabilities decreased from EUR 5.61 million to EUR 4.12 million as of June 30, 2021.

Cash and cash equivalents decreased from EUR 9.21 million as at end of 2020 to EUR 3.42 million at the reporting date. This is mainly due to investments in the new company location and in clinical studies. Additionally, as of June 30, 2021 current assets include receivables against tax authorities amounting to EUR 2.63 million (December 31, 2020: EUR 1.35 million) which can be drawn on short notice.

Related party transactions

Material related party transactions are disclosed in the Notes.

Risk report

Marinomed is a research and development 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

As an international company, Marinomed is involved in the global economy. The 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. It has now also become apparent that there is an increased risk that the healthcare sector in which the company operates will also react to such changes. While companies that develop, manufacture and sell products to contain the pandemic are mostly performing very well, there have been significant declines, especially in the market for over-the-counter products. In this respect, it can be expected that Marinomed's Carragelose products will perform rather well, but that the Marinosolv technology platform will have to face an increased risk during commercialisation. At the same time, maintaining a continuous supply chain could be made more difficult and a slow-down in economic growth could lead to lower customer demand.

Risks relating to funding and funding instruments

The main financial risks include default and liquidity risks. 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.

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.

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.

The management board expects the company's research and development spending and operating losses to remain substantial over the coming years at least. The management board forecasts that existing cash reserves as well as the financing raised via the IPO in 2019 and from the EIB will be sufficient to fund the company's operating costs and investments over the coming years. This estimate is based on assumptions that could prove to be wrong, and the company could exhaust its capital resources more quickly than it currently expects.

Marinomed always strives to maintain financial flexibility, for example by raising additional capital in more favourable market conditions or based on strategic considerations. For example, the expenses for the acquisition and expansion of the new headquarters were largely refinanced at low interest rates. The company currently believes that it has sufficient funds for its current or future operating plans.

Marinomed believes that the company could forego certain expenditures to reduce its cash requirements. If Marinomed becomes unable to raise capital when needed, this may result in delays, cutbacks or termination of research and development programmes as well as future commercialisation efforts.

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.

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	1-6/2021	1-6/2020	4-6/2021	4-6/2020
Profit or loss					
Revenues		3,214.5	2,282.6	997.4	1,268.7
Other income	3	1,238.4	474.6	770.5	387.3
Other gains (losses), net		11.2	–10.9	–0.5	–5.3
Expenses for materials		–2,181.0	–1,557.2	–766.5	–883.4
Expenses for services		–2,276.5	–973.3	–1,106.3	–681.6
Personnel expenses	4	–2,294.3	–2,017.1	–1,122.4	–1,003.5
Depreciation and amortisation		–284.8	–202.0	–156.1	–110.0
Other expenses	5	–1,072.0	–890.2	–518.7	–459.1
Operating result (EBIT)		**–3,644.5**	**–2,893.5**	**–1,902.6**	**–1,486.9**
Financial income	7	0.0	0.1	0.0	-0,0
Financial expenses	7	–730.9	–334.4	–378.0	–166.8
Financial result		**–730.9**	**–334.3**	**–378.0**	**–166.8**
Loss before taxes		**–4,375.4**	**–3,227.8**	**–2,280.5**	**–1,653.7**
Taxes on income		–2.6	–1.8	–1.8	–0.9
Loss for the period		**–4,378.1**	**–3,229.5**	**–2,282.3**	**–1,654.5**
Thereof attributable to the shareholders of the Company		*–4,378.1*	*–3,229.5*	*–2,282.3*	*–1,654.5*
Other comprehensive income (loss) for the period		-	-	-	-
Total comprehensive loss for the period		**–4,378.1**	**–3,229.5**	**–2,282.3**	**–1,654.5**
Thereof attributable to the shareholders of the Company		*–4,378.1*	*–3,229.5*	*–2,282.3*	*–1,654.5*
Earnings per share					
Basic (EUR per share)		–3.0	–2.2		
Diluted (EUR per share)		–3.0	–2.2		

Statement of financial position

all amounts in kEUR	Note	30.06.2021	31.12.2020
ASSETS			
Non-current assets			
Intangible assets		2,077.5	2,056.8
Property, plant and equipment	8	6,511.1	6,036.4
Deposits and other non-current receivables	11	8.3	12.2
		8,596.9	8,105.4
Current assets			
Inventories	9	1,865.0	926.1
Trade and other receivables	11	4,513.0	5,263.1
Cash and cash equivalents		3,423.2	9,206.9
		9,801.2	15,396.1
Total assets		**18,398.1**	**23,501.6**

all amounts in kEUR	Note	30.06.2021	31.12.2020
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	1,475.0	1,472.7
Capital reserves	12	41,590.5	41,351.2
Retained losses		–41,844.3	–37,466.3
		1,221.2	5,357.6
Non-current liabilities			
Non-current borrowings		12,942.0	12,457.1
Other non-current liabilities		119.1	78.5
		13,061.2	12,535.6
Current liabilities			
Current borrowings		281.9	356.8
Trade payables		1,049.4	1,975.8
Other financial liabilities		9.9	-
Current contract liabilities and other current liabilities		2,774.5	2,512.7
Provisions	13	-	763.0
		4,115.7	5,608.4
Total equity and liabilities		**18,398.1**	**23,501.6**

Statement of cash flows

all amounts in kEUR	1-6/2021	1-6/2020
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the period	–4,378.1	–3,229.5
Adjustments for:		
Taxes on income recognised in profit or loss	2.6	1.8
Financial income recognised in profit or loss	–0.0	–0.1
Financial expense recognised in profit or loss	730.9	334.4
Depreciation and amortisation expense	284.8	202.0
Other non-cash income/expense	34.5	132.7
Changes in deposits and other non-current receivables	3.9	1.2
Changes in inventories	–938.9	–458.8
Changes in trade and other receivables	750.1	–442.0
Changes in provisions	–763.0	-
Other changes in trade payables, contract liabilities and other liabilities	–584.6	590.2
Interest paid	–215.0	–11.6
Interest received	0.0	0.1
Taxes paid	-	–0.9
Cash flow utilised by operating activities	**–5,072.7**	**–2,880.7**

Cash ouflow from capital expenditure for plant and equipment and intangible assets	–739.4	–1,335.2
Cash flow utilised by investing activities	**–739.4**	**–1,335.2**
Proceeds from executed options	135.2	169.7
Repayments of long-term borrowings	–100.0	–100.0
Lease payments	–6.0	–54.4
Equity transaction costs	–0.8	–3.0
Cash flow generated from financing activities	**28.4**	**12.2**
Total change in cash & cash equivalents	**–5,783.7**	**–4,203.7**
Cash & cash equivalents at beginning of period	9,206.9	12,019.6
Cash & cash equivalents at end of period	3,423.2	7,816.0
Of which effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	*8.0*	*–5.3*

Statement of changes in equity

all amounts in kEUR	Nominal capital/ Share capital	Capital reserves	Retained losses	Total
December 31, 2019	**1,469.8**	**40,848.1**	**–31,451.9**	**10,866.0**
Loss for the period	-	-	–3,229.5	–3,229.5
Total comprehensive income (loss) for the period	-	-	–3,229.5	–3,229.5
ESOP 2019	2.3	312.7	-	315.0
Initial consolidation Marino Immo GmbH	-	-	–4.1	–4.1
June 30, 2020	**1,472.1**	**41,160.8**	**–34,685.5**	**7,947.3**
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**

Notes to the interim 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 focuses on the development of innovative products based on two patent-protected technology platforms. The Marinosolv technology platform increases the availability of hardly soluble compounds resulting in their accelerated and higher efficacy. This technology is particularly suited for the treatment of sensitive tissues such as eyes, nose, gastrointestinal tract or lung. The Carragelose platform comprises innovative patent-protected products for the prophylaxis and treatment of respiratory tract viral infections including SARS-CoV-2. Carragelose is used in nasal sprays, throat sprays and lozenges, which are sold via international partners in over 40 countries worldwide. The Company was incorporated in March 2006 as a spin-off from the Veterinary University of Vienna. Since Q4/2020 the Company's headquarters are located at Hovengasse 25, 2100 Korneuburg, Austria.

The management board approved the interim condensed financial statements for issuance on August 24, 2021.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these interim condensed consolidated financial statements are consistent with those presented in the notes to the consolidated financial statements as of December 31, 2020, 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, 2021 were prepared in accordance with IAS 34 (Interim Financial Reporting).

The interim condensed consolidated financial statements as of June 30, 2021 include Marinomed Biotech AG and one subsidiary, Marino Immo GmbH.

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.

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.

However, based on the cash flows from the IPO, the EIB loan, the real estate financing as well as from the future sale of goods, management believes that it is more likely than not that liquidity is ensured until the end of 2023.

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

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, 2021, do not have a material impact on the condensed consolidated financial statements of the Company:

Amendment	Date of Publication	Date of Endorsement	Effective Date (EU)
Amendment to IFRS 16 Leases Covid-19-Related Rent Concessions	28.05.2020	15.10.2020	01.06.2020
Amendments to IFRS 4 Insurance Contracts – deferral of IFRS 9	25.06.2020	15.12.2020	01.01.2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2	27.08.2020	13.01.2021	01.01.2021

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

Standard / Amendment	Date of Publication	Date of Endorsement	Effective Date (EU)
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

Standard/Amendment (Pending Adoption into EU Law)		Date of Publication	Effective Date (IASB)
IFRS 17 Insurance Contracts	18.05.2017	25.06.2020	01.01.2023
Amendments to IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021	31.03.2021		01.04.2021
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	23.01.2020		01.01.2023
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	12.02.2021		01.01.2023
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	12.02.2021		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

2.3. Segment reporting

In the first half 2021, the Company reports on two operating segments, Carragelose and Marinosolv, based on the Company's platforms. Carragelose combines activities from marketed products and research and development of new products based on the active ingredient Carragelose. Marinosolv currently generates only minor revenues, but is expected to make further contributions in the future. The remaining operating activities which cannot be attributed to Carragelose or Marinosolv are reported as “Corporate”.

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. 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, 2020 all amounts in kEUR	**Carragelose**	**Marinosolv**	**Corporate**	**Total**
Total revenues	2,244.0	38.6	-	**2,282.6**
Of which sale of goods	*2,041.8*	-	-	**2,041.8**
Austria	*-*	-	-	**-**
Other European countries	*938.5*	-	-	**938.5**
Non-European countries	*1,103.4*	-	-	**1,103.4**
Of which other revenues	*202.1*	*38.6*	-	**240.7**
Austria	*144.5*	-	-	**144.5**
Other European countries	*30.1*	*38.6*	-	**68.7**
Non-European countries	*27.5*	-	-	**27.5**
Cost of goods sold	–1,503.7	-	-	**–1,503.7**
Contract research	–441.2	–221.9	-	**–663.1**
Personnel expenses	–412.1	–603.7	–1,001.3	**–2,017.1**
Other miscellaneous income/expense	–203.9	154.5	–740.8	**–790.2**
Depreciation and amortisation	–98.6	–46.2	–57.2	**–202.0**
Non-recurring items	-	-	-	**-**
Operating result (EBIT)	**–415.6**	**–678.6**	**–1,799.3**	**–2,893.5**

Period ended June 30, 2021 all amounts in kEUR	**Carragelose**	**Marinosolv**	**Corporate**	**Total**
Total revenues	3,193.2	17.1	4.3	**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*	*17.1*	*4.3*	**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	–643.9	–987.2	**–2,294.3**
Other miscellaneous income/expense	–115.9	193.3	–820.3	**–742.9**
Depreciation and amortisation	–139.7	–57.5	–87.5	**–284.8**
Non-recurring items	300.0	-	-	**300.0**
Operating result (EBIT)	**–482.5**	**–1,271.3**	**–1,890.7**	**–3,644.5**

3. Other income

Other income consists of the following items:

Period ended June 30 all amounts in kEUR	2021	2020
Grant income	394.1	-
Research premium	509.5	446.9
Other income	334.8	27.7
Total	**1,238.4**	**474.6**

Grant income 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. Other income includes income related to the waiver of commercialisation rights by a European licensing partner amounting to kEUR 300.

4. Personnel expenses

Employee Stock Option Plan (ESOP)

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 or after termination of employment. In the reporting period the stock options developed as follows:

Number of issued stock options	As of December 31, 2020	Additions	Exercised options	Expired options	As of June 30, 2021	Therof vested
Management board	21,437	-	-	-	21,437	11,878
Employees	16,946	-	1,767	491	14,688	5,607
Total	**38,383**	**-**	**1,767**	**491**	**36,125**	**17,485**

5. Other expenses

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

Period ended June 30 all amounts in kEUR	**2021**	**2020**
Fees	–33.5	–16.3
Maintenance expenses	–107.2	–60.5
Operating costs	–29.1	–38.7
Insurance	–27.3	–11.8
Freight	–20.7	–10.0
Travel expenses	–3.4	–9.5
Car expenses	–6.4	–3.8
Telecommunication expenses	–16.4	–10.3
Relocation expenses	–25.2	–24.7
Education expenses	–20.2	–5.9
Office and administrative expenses	–17.9	–16.9
Marketing/PR expenses	–237.3	–84.0
Consulting expenses	–522.7	–596.4
Other expenses	–4.6	–1.5
Total	**–1,072.0**	**–890.2**

Consulting expenses include expenses for legal advice and other consulting services. The slight increase in other expenses mainly relates to intensified PR activities.

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):

Period ended June 30 all amounts in kEUR	1-6/2021	1-6/2020	4-6/2021	4-6/2020
Personnel expenses	–1,044.2	–870.0	–508.1	–447.7
Expenses for services	–1,943.6	–691.1	–927.4	–525.2
Expenses for materials	–243.5	–72.5	–138.4	–52.1
Other expenses	–170.2	–74.6	–78.8	–44.5
Depreciation and amortisation	–190.7	–141.1	–104.0	–73.9
Financial expenses	–684.5	–323.2	–350.0	–165.7
Total	**–4,276.6**	**–2,172.5**	**–2,106.7**	**–1,309.1**

In the first half 2021 as well as in the prior year period, research and development expenses were primarily attributable to clinical studies. Whereas in H1/2020 R&D activity was limited due to the corona pandemic, it is back to a normal level in H1/2021. In the reporting period, the focus in the Carragelose segment was on clinical studies on the effectiveness of Carragelose against SARS-CoV-2, while at Marinosolv the main focus was on the clinical phase II study of the product Tacrosolv (allergic conjunctivitis, dry eye syndrome).

7. Financial income and expenses

Period ended June 30 all amounts in kEUR	**2021**	**2020**
Interest income		
Bank deposits	0.0	0.1
Total	**0.0**	**0.1**
Interest and similar expenses		
Subsidised loans	–73.7	–33.7
Leasing	–0.3	–2.1
Bank deposits	-	–0.9
EIB loan	–643.3	–288.2
Other interest expenses	–2.5	–9.5
Total	**–719.8**	**–334.4**
Other financial income/(expenses)		
Adjustments of carrying amount (according to IFRS 9.B5.4.6)	–11.1	-
Total	**–11.1**	**-**
Total financial result	**–730.9**	**–334.3**
Of which financial income	*0.0*	*0.1*
Of which financial expenses	*–730.9*	*–334.4*

8. Property, plant and equipment

The movement on property, plant and equipment was as follows:

all amounts in kEUR	IT equipment	Laboratory equipment	Other plant and office equipment	Right-of-use asset	Land and buildings	Prepayments and buildings under construction	Total
As of December 31, 2019							
Cost	109.1	544.7	110.9	123.4	358.9	1,825.5	3,072.5
Accumulated depreciation	–67.4	–368.2	–64.1	–81.8	-	-	–581.5
Carrying amount	**41.7**	**176.5**	**46.8**	**41.6**	**358.9**	**1,825.5**	**2,491.0**
Period ended June 30, 2020							
Beginning carrying amount	41.7	176.5	46.8	41.6	358.9	1,825.5	2,491.0
Additions	97.2	5.3	102.7	-	-	1,524.4	1,729.7
Disposals	–0.0	-	-	-	-	-	–0.0
Reclassifications	-	-	-	-	2,288.0	–2,288.0	-
Depreciation	–13.5	–18.7	–9.3	–41.6	–6.4	-	–89.4
Carrying amount	**125.4**	**163.2**	**140.2**	**-**	**2,640.5**	**1,061.9**	**4,131.3**
As of December 31, 2020							
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**	**0.0**	**6,511.1**
As of June 30, 2021							
Cost	236.9	624.0	534.8	-	5,880.2	-	7,275.8
Accumulated depreciation	–117.8	–414.7	–111.1	-	–121.2	-	–764.8
Carrying amount	**119.0**	**209.3**	**423.7**	**-**	**5,759.0**	**-**	**6,511.1**

9. Inventories

Inventories include the following items:

all amounts in kEUR	As of June 30, 2021	As of December 31, 2020
Raw materials and supplies	976.7	561.3
Bulk goods	499.8	-
Goods for sale	238.0	102.9
Raw materials and supplies in production	150.6	261.9
Total	**1,865.0**	**926.1**

10. Financial instruments

In accordance with IFRS 9 and IFRS 7, financial instruments are classified as follows:

As of December 31, 2020 all amounts in kEUR	Financial assets at amortised cost
Assets as per statement of financial position	
Non-current receivables	3.5
Trade and other receivables	2,333.4
Cash and cash equivalents	9,206.9
Total	**11,543.9**

all amounts in kEUR	Financial liabilities at amortised cost
Liabilities as per statement of financial position	
Borrowings	12,814.0
Current contract liabilities and other current liabilities	2,512.7
Trade payables	1,975.8
Total	**17,302.5**

As of June 30, 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	866.2
Cash and cash equivalents	3,423.2
Total	**4,289.9**

all amounts in kEUR	Financial liabilities at amortised cost
Liabilities as per statement of financial position	
Borrowings	13,223.9
Current contract liabilities and other current liabilities	1,494.3
Trade payables	1,049.4
Total	**15,767.6**

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	30.06.2021	31.12.2020
Carrying amount		
EIB loan	9,598.1	9,131.9
ERP loan	2,879.7	2,871.0
AWS Seed loan	346.0	415.8
WAW loan	378.6	367.8
Total	**13,202.4**	**12,786.5**
Fair Value		
EIB loan	9,598.1	9,131.9
ERP loan	2,998.9	2,999.3
AWS Seed loan	397.7	483.4
WAW loan	378.6	367.8
Total	**13,373.3**	**12,982.3**

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.

11. Long-term and current receivables

all amounts in kEUR	As of June 30, 2021	As of December 31, 2020
Deposits	0.5	3.5
Prepaid expenses	7.8	8.6
Total long-term receivables	**8.3**	**12.2**
Trade receivables	499.6	2,333.4
Prepaid expenses	119.2	79.7
Other receivables	3,894.2	2,850.0
Total current receivables	**4,513.0**	**5,263.1**

As of June 30, 2021 other receivables include receivables against tax authorities amounting to kEUR 2,627 (December 31, 2020: kEUR 1,353) which can be drawn on short notice.

12. Capital and reserves

According to the articles of association valid before the Annual General Assembly of 17th June 2021 (the "AGM 2021") the management board (with the approval of the supervisory board) could make use of a Conditional Capital 2018 for issuance to the creditors of the convertible bonds which were issued in 2017. At the end of March 2019, all convertible bonds were either converted into shares or repurchased and canceled with the effect that there were no further beneficiaries. Accordingly, with resolution of the AGM 2021 the remaining unused Conditional Capital could be canceled. Additionally, before the AGM 2021, the management board (with the approval of the supervisory board) had an Authorized Capital 2020 for the issuance of up to 736,017 shares in connection with the possibility to exclude the statutory subscription rights of shareholders for up to 147,243 shares.

Financings are not limited to capital increases, but additional financial instruments, such as convertible bonds are available as attractive alternative forms of financings on the market. The AGM 2021 resolved, following the resolution proposal, to cancel the Conditional Capital 2018 and create a new Conditional Capital 2021. The Conditional Capital 2021 allows the management board (with the approval of the supervisory board) to issue financial instruments which may be converted in a maximum of 147,243 newly issued shares - the threshold for the exclusion of the statutory subscription rights of the Authorized Capital 2020. The total number of shares that the management board (with the approval of the supervisory board) can so issue, is limited to the number of shares defined by the Authorized Capital 2020 with the addition of section 9 in §5 of the articles of association.

13. Provisions

Provisions include the following items:

all amounts in kEUR	Warranty provision	Other provisions
Carrying amount at January 1, 2020	750.0	523.0
Use/reversal	-	-
Additions	-	-
Carrying amount at June 30, 2020	750.0	523.0
Carrying amount at January 1, 2021	750.0	13.0
Use/reversal	–750.0	–13.0
Additions	-	-
Carrying amount at June 30, 2021	**-**	**-**

The use/reversal of the warranty provision is related to the waiver of commercialisation rights by a European licensing partner.

14. 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. As of December 31, 2020 commitments also included commitments associated with the construction of the new headquarters in Korneuburg. 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	As of June 30, 2021	As of December 31, 2020
No later than 1 year	1,431.3	4,293.7
Later than 1 year and no later than 5 years	132.0	134.1
Later than 5 years	-	-
Total	**1,563.3**	**4,427.7**

15. 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 H1/2021 expenses related to this contract amounted to kEUR 15 (H1/2020: kEUR 15).

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

16. Events after the reporting period

On July 1, 2021 the topline results for its Phase II clinical trial of Tacrosolv eye drops to treat ocular hay fever symptoms were announces. The placebo-controlled Phase II clinical trial was conducted at the Vienna Challenge Chamber (Austria) to assess safety and efficacy of two different dose of Tacrosolv in a crossover design. The applied doses contained only 2.5 % and 5 % of the dose used in Tacrolimus eyedrops that are marketed in Japan for the treatment of vernal conjunctivitis. After one week of treatment, the higher dose resulted in a statistically significant reduction of ocular symptoms in the time period starting 3.5 hours after the challenge ($p < 0.05$). A comparison of the ocular symptoms on day 1 with day 8 showed a significant reduction of symptoms in the case of Tacrosolv treatment [LMH1] ($p < 0.01$) without any effect of the placebo treatment. Additionally, nasal symptoms were assessed and showed a significant reduction at day 8 (between 0 to 4 hours after the challenge, $p < 0.05$). These results indicate the high potential of tacrolimus being an effective treatment of ocular inflammation exemplified by allergic conjunctivitis and other allergic manifestations.

Beyond this, there were no significant events after the reporting period that would have an impact on the nterim condensed consolidated financial statements.

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

.....	.....	.....
Korneuburg, 24.08.2021	Korneuburg, 24.08.2021	Korneuburg, 24.08.2021
Andreas Grassauer	Eva Prieschl-Grassauer	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, 2021 of Marinomed Biotech AG, Vienna, (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, 2021 to June 30, 2021.

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, 2021

BDO Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Gerhard Fremgen Auditor
Georg Steinkellner 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 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.

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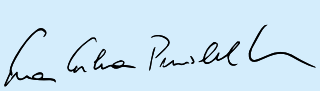
Korneuburg, 24.08.2021

Andreas Grassauer, CEO



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Korneuburg, 24.08.2021

Eva Prieschl-Grassauer, CSO

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Korneuburg, 24.08.2021

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.
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