



## HIGHLIGHTS

Significant milestones achieved for clinical trials with lead product lefitolimod:

- Results of an extension phase of the TEACH study in HIV
- Initial results from the exploratory IMPULSE phase II study
- Completion of patient recruitment for the IMPALA pivotal study
- MOLOGEN's cooperation partner Aarhus University received a grant from Gilead for a combination study with lefitolimod in HIV

Further funding and investment for study advancement:

- Successful issuance of a convertible bond 2017/2025 totaling almost €5 million
- As expected, study advancement and partnering activities caused increased expenses
- Accordingly, EBIT is down compared to the same period of the previous year

Dr Matthias Baumann appointed as new Chief Medical Officer effective 1 May 2017: responsible for the areas of Research, Pre-Clinical and Clinical Development, Drug Approval and Clinical Strategy.

## KEY FIGURES (IFRS)

In million €	Q2 2017	Q2 2016	Change %	H1 2017	H1 2016	Change %
Revenues	0.0	0.0	-	0.0	0.0	-
Profit (loss) from operations (EBIT)	-5.4	-5.3	2	-10.5	-9.8	7
Expense structure						
Personnel expenses	1.4	1.8	-22	2.6	3.1	-16
Research & Development expenses	4.1	3.4	21	8.0	7.1	13
Earnings per share in € (basic)	-0.16	-0.24	-33	-0.31	-0.44	-30
Cash flows from operating activities	-5.2	-4.8	8	-11.2	-9.2	22
	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>	<b>Change %</b>			
Cash and cash equivalents	14.2	20.5	-31			
Shareholders' equity	1.8	11.8	-85			
Equity ratio	12%	55%	-78			
Total assets	15.1	21.4	-29			
Number of employees	50	59	-15			

## CONTENTS

Interim Management Report as of 30 June 2017	4
Financial statements as of 30 June 2017	19
Statement of comprehensive income	20
Statement of financial position	21
Statement of cash flows	22
Statement of changes in equity	23
Condensed notes to the interim statement	24
Responsibility statement	35
Corporate calendar/imprint	36

## INTERIM MANAGEMENT REPORT

for the period from 1 January to 30 June 2017

- Continuation of clinical trials with lefitolimod and planned outsourcing of production were the focal points of operating activities
- Positive data from pre-clinical studies of lefitolimod and EnanDIM<sup>®</sup> in combination with checkpoint inhibitors presented
- Decline in EBIT due to increase in R&D expenses and in connection with business development
- Successful placement of convertible bond 2017/25; first interest expenses for convertible bond

In the first half of 2017, the focus of operational business was on the lead product, the TLR9 agonist lefitolimod. Further progress was made in the preparatory activities for the potential approval of the immunotherapeutic agent. In particular, this included preparatory measures for the planned outsourcing of production and upscaling production to the market standard. The four clinical trials with lefitolimod also moved forward and important milestones were reached: the recruitment of the planned number of patients for the IMPALA phase III pivotal study in colorectal cancer was concluded. Initial results were presented for the exploratory IMPULSE phase II study in the indication small cell lung cancer. Important results for the extension phase of the TEACH study (phase Ib/IIa in HIV) were announced shortly before the publication of this interim report. Progress continues to be made in patient recruitment for the phase I combination study with the checkpoint inhibitor Yervoy<sup>®</sup> in collaboration with MD Anderson Cancer Center at the University of Texas, USA. In addition, MOLOGEN presented positive data from pre-clinical studies with lefitolimod and EnanDIM<sup>®</sup> in combination with checkpoint inhibitors at various international scientific conferences.

At €8.0 million, expenses for research and development (R&D) were up on the same period of the previous year (H1 2016: €7.1 million). Moreover, when compared with the same period of the prior year, material expenses for business development were incurred for the first time to enable a partnership and a licensing agreement. Accordingly, EBIT was at €-10.5 million and therefore lower than the €-9.8 million recorded in the same period of the

previous year. As of 30 June 2017, cash and equivalents totaled €14.2 million (31 Dec 2016: €20.5 million). In the reporting period, a convertible bond was placed with an issue volume of €4.99 million as well as interest expenses being incurred for the convertible bond for the first time.

## General conditions

### Overall economic development

- Positive development of global economy in the first half of 2017
- IMF forecasts growth of 3.5% for the global economy in 2017
- Consolidated road to recovery in the Eurozone

In the first half of the year, the development of the global economy was restrained, but nonetheless positive. The International Monetary Fund (IMF) has raised its forecast for global economic growth from 0.4% to 3.5%. According to the IMF, this is above all benefiting emerging and developing nations. Commodity prices are rising, while economic growth is expected to remain stable for China and other resource-importing countries.

In the USA, the pace of growth has increased slightly. The anticipation that President Donald Trump would pursue looser fiscal policy has strengthened the dollar and boosted interest in U.S. sovereign bonds. In addition, there has recently been an increase in private consumer spending in the USA.

Over the past few months, the Eurozone has consolidated its position further, not least because some factors of political uncertainty are no longer an issue, such as the election in France. Overall, the European Commission estimates that European GDP will grow to a strong 1.7% in 2017 as a whole. However, it remains to be seen when and to what extent the UK's exit from the EU will impact the economy of the union.

### Development of the pharmaceutical and biotechnology industries

- Sales for drugs expected to increase to up to US\$1.5 trillion worldwide in the next decade
- Global market volume for cancer therapies is forecast to rise to US\$190 billion in 2022
- Cancer immunotherapies are revolutionizing the treatment of tumor diseases

The Institute for Healthcare Informatics (IMS), a market research company, is predicting further robust growth for the drugs market. Accordingly, global total expenditure on drugs will rise to around US\$1.5 trillion by 2021.

### **Pharmaceutical industry: developing countries and cancer treatments becoming more important**

According to data for 2016 from the German Pharmaceutical Industry Association, North America, Europe and Japan accounted for over 70% of the total sales of the global pharmaceuticals market in 2015 and this looks set to increase further. Drug sales have also recorded continuous growth in the five emerging markets of Brazil, Russia, India, China and South Africa (BRICS) in recent years. In these countries, sales of pharmaceuticals amounted to around €110 billion, which represents a year-on-year increase of almost 8%. The significance of these markets for the pharmaceutical industry will continue to grow in the next few years.

In the area of prescription pharmaceutical drugs, the share of biotechnologically produced drugs is expected to rise to 30% by 2022. In 2016, the share was 25%. Cancer treatments will account for by far the greatest share of sales. UBS anticipates that annual growth rates will rise significantly for cancer drugs, from 6% at present to 15% by 2029.

### **Sharp rise in the incidence of cancer expected**

In its most recent World Cancer Report, the WHO predicts that incidences of cancer will increase by 40% over the next ten years. According to UBS, this means that 22 million people worldwide could develop cancer each year by 2030. The growth rates in the oncology market are correspondingly high. EvaluatePharma predicts that the global market volume will amount to US\$190 billion by 2022. This equates to average annual sales growth of around 12%. Oncology is therefore the therapeutic area with the highest growth rates and, according to the market research company's projections, it will also remain the indication with the strongest sales worldwide in the long term, with an expected share of sales of around 15% in 2020.

### **Market potential of cancer immunotherapies is US\$70 billion**

According to estimates from the market research organization GBI Research, the market for cancer immunotherapies could rise to more than US\$70 billion by 2022. In 2015 and 2016, immunotherapies, known as checkpoint inhibitors, already generated sales of over US\$1 billion.

### **High market potential in also in the area of infectious diseases**

Alongside use in the area of oncology, immunotherapies also offer great potential when used in the fight against infectious diseases, such as HIV. As the number of patients living with AIDS is continually growing – estimated by UNAIDS to total 30 million by 2020 – a major market with great sales potential worth billions is opening up for immunotherapeutic agents such as lefitolimod.

Although the overall trend is towards growth, the biotechnology industry continues to face significant challenges. It can take ten years or more before a drug is successfully launched on the market. This often necessitates several successful rounds of funding, with the follow-up funding after the foundation phase often being the most difficult for many biotechnology companies.

A further problem is also the broadening of market shares for generics, as well as stricter laws and approval regulations. New trends can be observed as pharmaceutical companies react to expiring patents and shrinking product pipelines. They are developing new business segments, while also investing more heavily in the development of niche products and personalized medicine. There is also increased activity in the area of mergers and co-operations, including at international level.

Overall, it is evident that new opportunities are arising for the biotechnology sector due to increased demand for innovative drugs and treatment methods, above all in the area of oncology.

In this context, the business prospects for MOLOGEN can be assessed as very positive in the long term.

### **Business performance**

The focus of MOLOGEN's activities continues to be on the continuation of four clinical studies with the TLR9 agonist and immune surveillance reactivator (ISR) lefitolimod. So significant milestones were reached in three of these studies:

- At the beginning of August, first results for the extension phase of the phase Ib/IIa TEACH study in HIV were presented

- At the start of the second quarter of 2017, first results of an exploratory IMPULSE phase II study in lung cancer were presented
- For the IMPALA pivotal study for colorectal cancer, the planned number of patients were recruited

The company's primary objectives continue to be preparing for the possible market launch of lefitolimod and finding a suitable partner for the licensing and marketing of the drug.

Furthermore, MOLOGEN presented data from pre-clinical studies of both lefitolimod and EnanDIM<sup>®</sup> in combination with checkpoint inhibitors in the reporting period.

Due to the successful placement of a convertible bond 2017/25, the company received a cash inflow to be used for the ongoing implementation of the "Next Level" strategy program and specifically the further development of the lead product lefitolimod. Furthermore, the additional fund inflows will give MOLOGEN greater financial scope for implementing and securing other strategic and operating measures in 2017. Based on current planning, financing is expected to be secured until the start of 2018. The partnering process continued to gain momentum in the first half of the year.

#### **New Chief Medical Officer (CMO)**

Dr Matthias Baumann has been the Chief Medical Officer of MOLOGEN AG since 1 May 2017. His areas of responsibility comprise Research, Pre-clinical and Clinical Development, Drug Approval and Clinical Strategy.

#### **Research and development (R&D)**

In the first half of 2017, MOLOGEN above all made progress in its clinical trials: the IMPALA phase III pivotal study in the indication colorectal cancer; the extension phase Ib/IIa TEACH study in the indication HIV and the clinical phase I combination study with a checkpoint inhibitor. A significant milestone was reached in April 2017 with the publication of key findings from the exploratory IMPULSE phase II study. Likewise, important results were recently presented for the extension phase Ib/IIa TEACH study in the indication HIV.



Furthermore, results from pre-clinical studies in tumor models of lefitolimod in combination with checkpoint inhibitors were presented in the period under review. Research and development results for the TLR9 agonist lefitolimod were shared at international scientific conferences, including the ASCO Gastrointestinal Cancers Symposium (ASCO GI), the annual Conference on Retroviruses and Opportunistic Infections (CROI) and the annual American Association for Cancer Research (AACR) meeting.

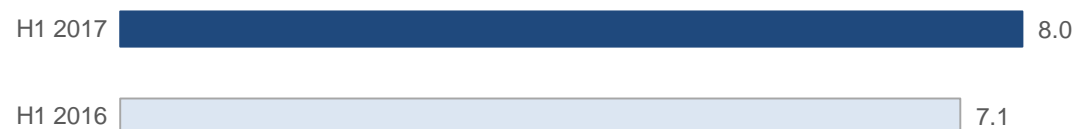
Regarding EnanDIM<sup>®</sup> follow-up molecules, MOLOGEN carried out initial pre-clinical examinations in combination with checkpoint inhibitors and presented them at the ASCO Clinical Immuno-Oncology Symposium (SITC) in February 2017.

### R&D expenses

Research and development (R&D) expenses were up on the same period last year at €8.0 million (H1 2016: €7.1 million). Consequently, EBIT was down on the same period last year at €-10.5 million against €-9.8 million. Cash and cash equivalents amounted to €14.2 million at 30 June 2017 (31 Dec 2016: €20.5 million).

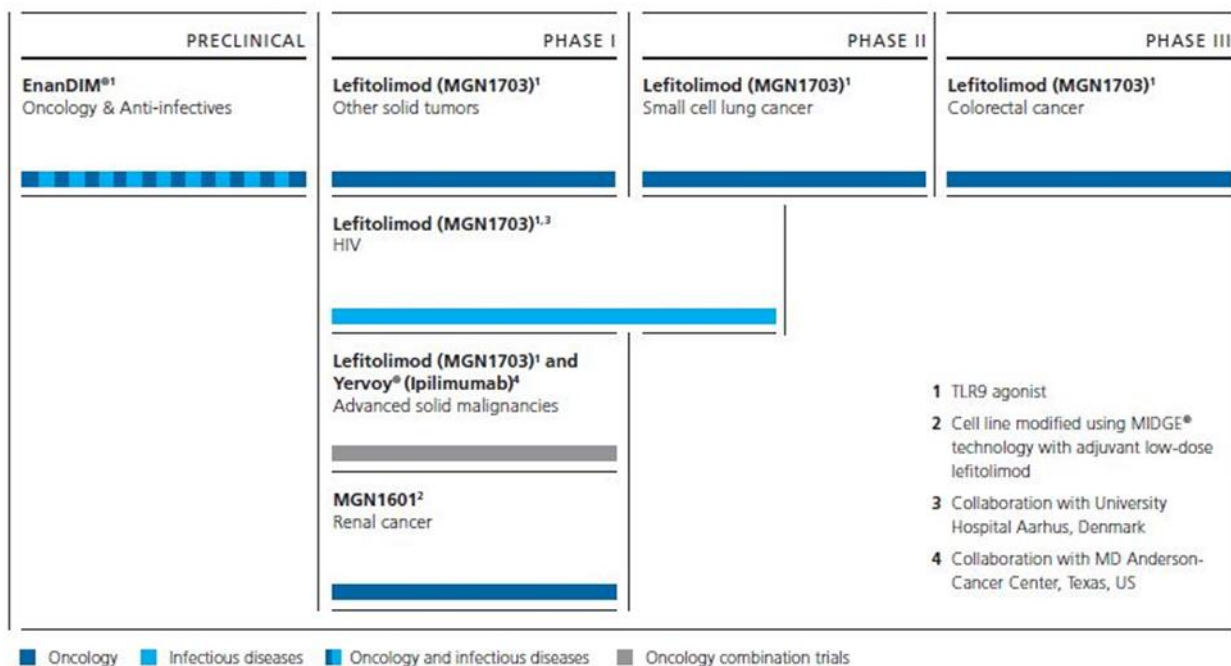
#### R&D expenses

In million €



## Product pipeline

### PRODUCT PIPELINE WITH FOCUS ON CANCER IMMUNOTHERAPIES AND WIDE RANGE OF APPLICATION POSSIBILITIES



MOLOGEN’s product pipeline is focused on the close-to-market lead product lefitolimod and the follow-up molecules EnanDIM<sup>®</sup>. Furthermore, this pipeline contains a cell-based therapeutic vaccine (MGN1601). For the time being, the further development of this compound is being shelved in the wake of the portfolio review that was carried out in 2016. Based on study data available so far, all drug candidates have demonstrated good tolerability and safety. For lefitolimod and EnanDIM<sup>®</sup>, the expected effects of immune surveillance reactivation are increasingly being confirmed.

### TLR9 agonists lefitolimod and EnanDIM<sup>®</sup>

Lefitolimod is an immunotherapeutic agent and the most advanced TLR9 agonist in MOLOGEN’s portfolio. In the period under review, the immunotherapeutic agent was tested in the IMPALA, IMPULSE and TEACH as well as in a combination study with the checkpoint inhibitor Yervoy<sup>®</sup> (ipilimumab).

### **Phase III pivotal study for colorectal cancer (IMPALA)**

The patient enrollment that started in September 2014 was concluded in May 2017. More than 540 patients from approximately 120 centers in eight European countries, including the five largest European pharmaceutical markets, participate in the study. The study will be evaluated once a certain number of deaths have occurred, which is currently estimated to be reached around two years after completion of patient enrollment.

The IMPALA study is an international phase III multicentric, randomized, non-blinded, two-arm clinical pivotal study. Based on the findings of the sub-group analyses of the IMPACT study, the IMPALA study only includes patients with metastatic colorectal cancer in whom a response to the first-line chemotherapy treatment has been radiologically confirmed, with or without biological drugs (biologics).

The aim of the study is to show that a switch maintenance therapy with the immunotherapeutic agent lefitolimod leads to a prolongation of overall survival (OS). The primary endpoint is therefore OS. The secondary endpoints include progression-free survival (PFS), tolerability, safety and quality of life (QoL).

### **Exploratory phase II study in small-cell lung cancer (IMPULSE)**

The study comprises 102 patients who are suffering from an extensive disease stage of small cell lung cancer (SCLC) and whose tumors have responded to the standard first-line therapy with chemotherapeutics.

The first findings of the study were presented in April 2017: IMPULSE showed positive results regarding OS in two subsets of patient groups in comparison with the control group (standard therapy). The results of this SCLC study provide significant guidance for defining patient populations that, even beyond this study, are most likely to benefit from lefitolimod even though in this highly challenging indication the primary endpoint of OS was not met in the overall study population.

Notably, an OS benefit was shown in comparison with the control arm (local standard of care) in patients with a low count of activated B cells (hazard ratio 0.59, 95% confidence interval 0.29-1.21), an important immune parameter. Moreover, a benefit from treatment with lefitolimod was seen in patients with reported chronic obstructive pulmonary disease

(COPD), a common underlying illness (hazard ratio 0.54, 95% confidence interval 0.21-1.38).

A comprehensive evaluation of data is currently being carried out. The full IMPULSE study results will be presented at an international scientific conference in September 2017. The final read-out is expected to take place in the first quarter of 2018, around 24 months after the final patient was enrolled.

### **Extension phase Ib/IIa study in HIV (TEACH)**

TEACH (Toll-like receptor 9 enhancement of antiviral immunity in chronic HIV infection) is an early exploratory phase Ib/IIa study of lefitolimod in HIV-infected patients under antiretroviral therapy (ART). The Company announced the key results of the extension phase of the TEACH study just before this report was published. A more extensive evaluation of the TEACH data is currently ongoing and detailed TEACH study results of the extension phase will be presented at an international scientific conference.

The study, a cooperation with the Aarhus University Hospital in Denmark, was extended based on the positive results seen in the initial study phase. In the extension phase lefitolimod alone on top of ART did not show the desired effect on the viral reservoir. However, this study provides important positive findings with regard to the effects of the reactivation of the immune system, also in HIV. These data together with the favorable safety profile of lefitolimod now confirmed also in HIV form the basis for our future development strategy for lefitolimod in combination therapies. The Company is confident that lefitolimod can be an important component of therapeutic approaches aiming to cure HIV, e.g. monoclonal antibodies or vaccines.

The recently financed combination study is a crucial element of this strategy:

In January 2017, the Danish Aarhus University received a grant of US\$2.75 million from the biopharmaceutical company Gilead Sciences, Inc, Foster City, USA. The grant was to fund a planned clinical trial in HIV positive patients using ART in which MOLOGEN's TLR9 agonist will be investigated in combination with innovative virus-neutralizing antibodies. The antibodies have been developed by the Rockefeller University in New York, USA. MOLOGEN would be providing lefitolimod for the study. The study is expected to start presumably in 2018.

In February 2017, the Danish Aarhus University Hospital presented new data on the TEACH study at the annual Conference on Retroviruses and Opportunistic Infections (CROI) in Seattle, USA. For the first time, it was revealed through sigmoid colon biopsies that lefitolimod can trigger a local antiviral immune response in patients with HIV who undergo ART. These findings support the rationale behind the continued development of lefitolimod in HIV.

Background information on TEACH:

The phase Ib/IIa study with the Immune Surveillance Reactivator (ISR) lefitolimod to treat HIV-infected patients started in 2015 and has continued in an expansion phase since the middle of 2016. Initially, patients received treatment for a period of one month; in the extension phase, the treatment time with lefitolimod was extended to six months based on the good results of the initial phase.

**Combination study ISR lefitolimod with checkpoint inhibitor Yervoy<sup>®</sup> in collaboration with MD Anderson Cancer Center**

The collaboration agreement with the MD Anderson Cancer Center at the University of Texas (MD Anderson) relates to cooperation on a phase I study. In this study, lefitolimod is being tested in combination with the commercially available immunotherapeutic agent Yervoy<sup>®</sup> (ipilimumab) in patients with advanced solid malignancies. This is the first time that lefitolimod will be evaluated in combination with a checkpoint inhibitor. If lefitolimod enhances the efficacy of immune checkpoint blockades, and/or positively influences the side effects profile, this could expand the potential range of applications of the product. This study has been initiated based on the idea that the combination of these two immunotherapies could have synergistic effects by a broader activation of the immune system. The combination of various cancer immunotherapies has shown promising results in other studies. This assessment is also shared by MOLOGEN; further combination studies may be carried out.

The aim of the study entitled “A Phase I Trial of Ipilimumab (Immunotherapy) and MGN1703 (TLR Agonist) in Patients with Advanced Solid Malignancies” is to initially ascertain the highest tolerable dose of lefitolimod that can be given in combination with Yervoy<sup>®</sup>

(ipilimumab) to patients with advanced tumors. The safety of this drug combination will also be studied. Furthermore, this study aims to evaluate the efficacy of a combination of these two therapies in an expansion phase. The combination of lefitolimod and a checkpoint inhibitor is of particular interest: lefitolimod is a TLR9 agonist that can trigger the body's own immune system to fight cancer on a targeted basis by reactivating immune surveillance. Yervoy<sup>®</sup>, from Bristol-Myers Squibb Co., is a recombinant, human monoclonal antibody and immune checkpoint inhibitor, which is already approved to treat patients with unresectable or metastatic melanoma.

MD Anderson is conducting the trial at its Cancer Center in Texas, USA, and the first patients were enrolled in June 2016. MOLOGEN is providing lefitolimod and funding the study.

### **EnanDIM<sup>®</sup>**

EnanDIM<sup>®</sup> represents a new generation in immunoactivating TLR9 agonists and is therefore a follow-up compound to MOLOGEN TLR9 technology with a longer period of patent protection. EnanDIM<sup>®</sup> is expected to trigger a broad immune activation while being well tolerated. It is our expectation that the mechanisms of action of EnanDIM<sup>®</sup> molecules should facilitate their application in a range of cancer indications, either as a monotherapy or in combination with targeted forms of treatment, such as checkpoint inhibitors, and other immunotherapeutic approaches. Moreover, compounds in the EnanDIM<sup>®</sup> family may also be used in the area of infectious diseases – such as HIV.

In the period under review, MOLOGEN published combination data of EnanDIM<sup>®</sup> with a checkpoint inhibitor. The pre-clinical in vivo data showed that EnanDIM<sup>®</sup> can significantly improve the anti-tumor effect of the checkpoint inhibitor anti-PD-1 and consequently prolong survival in a murine colorectal cancer model. The beneficial effect of the combination of EnanDIM<sup>®</sup> with anti-PD-1 antibodies compared with each monotherapeutic approach was confirmed in in vitro experiments. These results constitute a first pre-clinical confirmation of the combination approach of EnanDIM<sup>®</sup> with checkpoint inhibitors.

## FINANCIAL PERFORMANCE AND FINANCIAL POSITION

- Increase in R&D expenses to €8.0 million (H1 2016: €7.1 million); EBIT accordingly down on the same period last year at €-10.5 million (H1 2016: €-9.8 million)
- Average cash burn of €1.9 million per month (H1 2016: €1.5 million per month)
- Cash and cash equivalents of €14.2 million (31 Dec 2016: €20.5 million)

Overall, the Company's financial performance and financial position have evolved according to plan in H1 2017. Available cash and cash equivalents at the reporting date should cover the Company's financial requirements up to the beginning of 2018 based on current projections.

### Results of operations

Revenues in H1 2017 amounted to €0.04 million (H1 2016: €0.00 million). Other operating income amounted to €0.04 million (H1 2016: €0.01 million).

The cost of materials and external services was up on the prior year at €5.9 million (H1 2016: €5.1 million) and was mainly incurred during the reporting period in connection with the IMPALA study. A significant item was the cost of external services which amounted to €5.8 million (H1 2016: €5.0 million).

Other operating expenses were up on the previous year at €2.0 million (H1 2016: €1.6 million). The increase mainly reflects higher consultancy costs for business development and higher legal and consulting costs. On the other hand, expenditure on travel and administration costs was down.

Personnel expenses were down on the same period in the previous year at €2.6 million (H1 2016: €3.1 million). In contrast to the present reporting period, MOLOGEN had reported personnel expenses in H1 2016 which came about as a result of job cuts in 2016 in connection with the Next Level realignment program. The non-cash personnel expenses from share options granted increased during the reporting period against the same period last year.

Scheduled depreciation and amortization was down on the same period last year at €0.03 million (H1 2016: €0.06 million).

In view of first-time interest expenses in connection with the issue of convertible bonds, the financial result in H1 2017 was down sharply on the same previous-year period at €-233 thousand (H1 2016: €-0.1 thousand).

Of the total expenditure, €8.0 million was used for R&D projects (H1 2016: €7.1 million). These expenses were mainly incurred in connection with carrying out the IMPALA study.

Accordingly, in H1 2017, EBIT amounted to €-10.5 million, which was below the level in the same period last year (H1 2016: €-9.8 million).

#### EBIT

€ million

H1 2017	-10.5
H1 2016	-9.8

#### Net assets and financial position

The balance sheet total decreased to €15.1 million (31 Dec 2016: €21.4 million), essentially reflecting cash burn and the loss for the period.

Total assets at 30 June 2017 primarily consisted of cash and cash equivalents in the amount of €14.2 million (31 Dec 2016: €20.5 million). The decline reflects cash burn as part of operating activities. Including cash outflows for investment purposes, cash burn amounted to €11.1 million (H1 2016: €9.3 million).

MOLOGEN was always in a position to meet all its financial obligations during the reporting period.

At €0.01 million, the volume of investment in H1 2017 was less than the level of scheduled depreciation and amortization during the same period (€0.03 million). Non-current assets amounted to €0.05 million at 30 June 2017, down slightly on the level at the reporting date at the end of the past financial year (31 Dec 2016: €0.06 million).

The equities and liabilities side of the balance sheet includes current and non-current liabilities along with shareholders' equity. Non-current liabilities include liabilities from the issue of convertible bonds amounting to €6.6 million (31 Dec 2016: €2.1 million). Current liabilities of €6.7 million (31 Dec 2016: €7.4 million) essentially include trade payables.



Shareholders' equity amounts to €1.8 million (31 Dec 2016: €11.8 million). The equity ratio has fallen to 12% (31 Dec 2016: 55%). The decline essentially reflects an increase in the accumulated deficit.

Other financial liabilities as of 30 June 2017 amounted to a total of €14.3 million (31 Dec 2016: €17.4 million) and were mainly justified in light of the conclusion of short-term service contracts in connection with the IMPALA study which began in the financial year 2014. Other financial liabilities were calculated based on the scheduled evolution of the company's business activities.

### Liquidity development

Cash flows of €11.1 million used in operating activities in H1 2017 was up on the same period in the prior year (H1 2016: €9.2 million) and primarily committed to the further development of the IMPALA study.

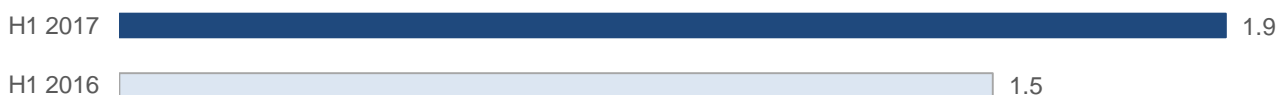
Investment spending was down on the same period in the prior year (H1 2017: €0.01 million; H1 2016: €0.08 million).

Cash flows from financing activities amounted to €4.8 million (H1 2016: €0.0 million), brought about by the convertible bond issued during the reporting period.

The monthly cash burn in H1 2017 amounted to an average of €1.9 million per month and was therefore above the figure of €1.5 million in the same prior year period.

#### Average monthly cash consumption

in € million



## **Forecast, risk and opportunity report**

### **Forecast**

The statements made in the Management Report of the Annual Financial Statements as at 31 Dec 2016, on the objectives in the fields of research and development, collaboration and partnerships, earnings and liquidity development, and personnel, still apply (see Annual Report 2016, page 56 et seq.).

### **Opportunities and risk report**

The opportunities and risks, and the assessment thereof, identified in the Management Report of 31 Dec 2016, remain unchanged (see Annual Report 2016, page 57 et seq.).

## Interim Statement as at June 30, 2017

Statement of Comprehensive Income	20
Statement of Financial Position	21
Statement of Cash Flows	22
Statement of Changes in Equity	23
Condensed Notes to the Interim Financial Statements	24
Responsibility Statement	35
Financial Calendar / Imprint	36

## STATEMENT OF COMPREHENSIVE INCOME (IFRS)

for the period from January 1 to June 30, 2017

€'000	H1 2017 unaudited	H1 2016 unaudited	Q2 2017 unaudited	Q2 2016 unaudited
Revenues	36	0	0	0
Other operating income	37	10	21	3
Cost of materials	-5,864	-5,087	-2,871	-2,707
Personnel expenses	-2,612	-3,103	-1,386	-1,807
Depreciation and amortization	-25	-63	-9	-27
Other operating expenses	-2,030	-1,604	-1,121	-793
<b>Profit (loss) from operations</b>	<b>-10,458</b>	<b>-9,847</b>	<b>-5,366</b>	<b>-5,331</b>
Finance costs	-233	0	-126	0
Finance income	0	0	0	0
<b>Profit (loss) before taxes</b>	<b>-10,691</b>	<b>-9,847</b>	<b>-5,492</b>	<b>-5,331</b>
Tax result	0	0	0	0
<b>Profit (loss) for the period/ comprehensive income</b>	<b>-10,691</b>	<b>-9,847</b>	<b>-5,492</b>	<b>-5,331</b>
Loss carried forward	-125,774	-104,771	-130,973	-109,287
<b>Accumulated deficit</b>	<b>-136,465</b>	<b>-114,618</b>	<b>-136,465</b>	<b>-114,618</b>
Basic earnings per share (in €)	-0.31	-0.44	-0.16	-0.24
Diluted earnings per share (in €)	-	-	-	-

## STATEMENT OF FINANCIAL POSITION (IFRS)

as of June 30, 2017

€'000	30 June 2017	31 December 2016
	unaudited	audited
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>51</b>	<b>62</b>
Intangible assets	27	37
Property, plant and equipment	24	25
Other non-current assets	0	0
<b>Current assets</b>	<b>15,008</b>	<b>21,300</b>
Cash and cash equivalents	14,153	20,520
Trade receivables	0	33
Inventories	17	13
Other current assets	838	733
Income tax receivables	0	1
<b>Total assets</b>	<b>15,059</b>	<b>21,362</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Non-current liabilities</b>	<b>6,592</b>	<b>2,121</b>
Deferred income	1	2
Other non-current liabilities	6,591	2,119
<b>Current liabilities</b>	<b>6,643</b>	<b>7,404</b>
Trade payables	5,963	6,530
Other current liabilities and deferred income	659	871
Liabilities to banks	21	3
<b>Shareholders' equity</b>	<b>1,824</b>	<b>11,837</b>
Issued capital	34,257	33,947
Capital reserves	104,032	103,664
Accumulated deficit	-136,465	-125,774
<b>Total</b>	<b>15,059</b>	<b>21,362</b>

## STATEMENT OF CASH FLOWS (IFRS)

for the period from January 1 to June 30, 2017

EUR'000	H1 2017	H1 2016
	unaudited	unaudited
<b>Cash flows from operating activities</b>		
Loss for the period before taxes	-10,691	-9,847
Depreciation and amortization of intangible assets and property, plant and equipment	25	63
Profit from disposal of intangible assets and property, plant and equipment	-33	0
Other non-cash expenses and income	167	91
Change in trade receivables, inventories and other assets	-76	681
Change in trade payables and other liabilities	-761	-178
Interest expenses/interest income	203	0
Income tax expenses/-income	0	0
Income tax payments	1	0
<b>Net cash used in operating activities</b>	<b>-11,165</b>	<b>-9,190</b>
<b>Cash flows from investing activities</b>		
Proceeds from the disposal of property, plant and equipment	34	0
Cash payments to acquire property, plant and equipment	-13	-17
Cash payments to acquire intangible assets	-1	-58
<b>Net cash used in investing activities</b>	<b>20</b>	<b>-75</b>
<b>Cash flows from financing activities</b>		
Cash proceeds (after deduction of expenses for the equity component) from the issuance of a convertible bond	4,989	0
Interest paid	-203	0
<b>Net cash used in financing activities</b>	<b>4,786</b>	<b>0</b>
<b>Effect of exchange rate changes on cash</b>	<b>-8</b>	<b>0</b>
<b>Total changes in cash and cash equivalents</b>	<b>-6,367</b>	<b>-9,265</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>20,520</b>	<b>24,592</b>
Deposits with a term of more than three months at the beginning of the period	0	0
<b>Cash and cash equivalents at the end of the period</b>	<b>14,153</b>	<b>15,327</b>
Deposits with a term of more than three months at the end of the period	0	0
<b>Liquid funds at the end of the reporting period</b>	<b>14,153</b>	<b>15,327</b>

## STATEMENT OF CHANGES IN EQUITY (IFRS)

as of June 30, 2017

€'000 except share data	Issued Capital		Capital Re- serves	Accumulated Deficit	Shareholder`s Equity
	Number of ordinary shares	Share Capital			
<b>As of 31 December 2015 (audited)</b>	<b>22,631,501</b>	<b>22,632</b>	<b>101,642</b>	<b>-104,771</b>	<b>19,503</b>
Value of services rendered by employees (according to IFRS 2)			91		91
Loss for the period				-9,847	-9,847
Rounding difference					
<b>As of 30 June 2016 (unaudited)</b>	<b>22,631,501</b>	<b>22,632</b>	<b>101,733</b>	<b>-114,618</b>	<b>9,747</b>
<b>As of 31 December 2016 (audited)</b>	<b>33,947,251</b>	<b>33,947</b>	<b>103,664</b>	<b>-125,774</b>	<b>11,837</b>
Equity component of con- vertible bonds	309,615	310	186		496
Conversion of convertible bonds			50		50
Value of services rendered by employees (according to IFRS 2)			132		132
Loss for the period				-10,691	-10,691
<b>As of 30 June 2017 (unaudited)</b>	<b>34,256,866</b>	<b>34,257</b>	<b>104,032</b>	<b>-136,465</b>	<b>1,824</b>

## CONDENSED NOTES

in accordance with IFRS for the period from 1 January to 30 June 2017

### A. General information on the company

Molgen AG (hereinafter: MOLOGEN) is a stock corporation as defined under the law of the Federal Republic of Germany with its headquarters in Berlin (Fabeckstraße 30, 14195 Berlin, Germany). It was founded on 14 January 1998 and is registered in the Commercial Register of the Local Court at Berlin-Charlottenburg under the number HRB 65633 B. The shares of the company are listed on the Regulated Market (Prime Standard) at the Frankfurt Stock Exchange under ISIN DE0006637200.

The objective of the company is the research, development and marketing of products in the area of molecular medicine. In particular, this encompasses application-related clinical research and development for biomolecular tumor therapy (immune surveillance reactivators). The main focus of research is the dSLIM<sup>®</sup> technology patented by MOLOGEN. It facilitates the use of DNA as a drug for diseases that were previously untreatable or for which treatment is insufficient. The company also has a project that is currently inactive for a cell-based therapeutic tumor vaccine.

### B. General information on the financial statements

These condensed interim financial statements of MOLOGEN have not been verified or audited. They were prepared in accordance with IFRS as applicable as of the reporting date of 30 June 2017, and as adopted by the European Union (EU), and in accordance with IAS 34 (Interim Financial Reporting). They should be read together with MOLOGEN's audited financial statements as of 31 December 2016, which were prepared and audited in accordance with IFRS as adopted by the EU. The accounting and measurement methods continued unchanged from 31 December 2016.

No new or amended accounting standards that were applicable for the first time in the reporting period had any material effect on MOLOGEN's interim financial statements.

The reporting period for these condensed interim financial statements is the period from 1 January 2017 to 30 June 2017. The comparison period for these condensed interim financial statements regarding the statement of cash flows and statement of changes in equity is the period from 1 January 2016 to 30 June 2016. The comparison period for these condensed interim financial statements regarding the statement of comprehensive income is the period from 1 January 2016 to 30 June 2016 and the period from 1 April 2016 to 30 June 2016. The comparison reporting date for these condensed interim financial statements regarding the statement of financial position balance sheet is 31 December 2016.

The functional and presentation currency in the financial statements is the euro (€). To improve readability, numbers are rounded and stated in thousands of euros (€ '000), unless otherwise specified.



MOLOGEN does not prepare segment reporting. In relation to this, please refer to the explanations presented in the Notes in accordance with IFRS for fiscal year 2016.

### C. Selected notes to the statement of comprehensive income

#### Cost of materials

€ 000	H1 2017	H1 2016	Q2 2017	Q2 2016
Costs for raw materials, supplies and goods	67	69	44	24
Costs for external services	5,797	5,018	2,827	2,683
	<b>5,864</b>	<b>5,087</b>	<b>2,871</b>	<b>2,707</b>

The increase in the cost of materials compared with the same period in the previous year resulted from an increase in costs for external services. This increase was primarily attributable to expenses arising from the progress made with the IMPALA study.

#### Personnel expenses

€ 000	H1 2017	H1 2016	Q2 2017	Q2 2016
Wages and salaries	2,206	2,640	1,157	1,544
Social insurance contributions	274	372	147	228
Stock options granted (according to IFRS 2)	132	91	82	35
	<b>2,612</b>	<b>3,103</b>	<b>1,386</b>	<b>1,807</b>

Personnel expenses were down on the same period last year. In contrast to the present reporting period, there were redundancy costs in H1 2016 which had to be paid out in 2016 in connection with the company's Next Level realignment. Non-cash personnel expenses arising from share options granted increased during this reporting period in relation to the same period last year.

#### Research and development (R&D)

The resources available to the company are primarily used directly on research and development projects. As in the same period last year, no development costs subject to mandatory capitalization as defined in IAS 38 were incurred.

€ 000	H1 2017	H1 2016	Q2 2017	Q2 2016
R&D expenses	7,967	7,064	4,060	3,378

#### Other operating expenses

Other operating expenses were up by €426 thousand on the same period in the previous year. The increase primarily reflects higher consultancy costs for business development and higher legal and consultancy costs. In contrast, expenses in connection with travel and administration costs were down.

**Earnings per share (EPS)**

Basic earnings per share are calculated by dividing the total earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the fiscal year.

Diluted earnings per share are calculated by dividing the total earnings attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the fiscal year plus the weighted average number of ordinary shares that would arise from the conversion of all dilutive potential ordinary shares into ordinary shares.

	H1 2017	H1 2016	Q2 2017	Q2 2016
Total comprehensive income attributable to ordinary shareholders of the company (€ '000)	-10,691	-9,847	-5,492	-5,331
Weighted average number of ordinary shares for calculating basic earnings per share (thousands)	34,056	22,632	34,165	22,632
Effect of dilution from the issue of share options (thousands)	0	0	0	0
Weighted average number of ordinary shares including dilutive effects (thousands)	34,056	22,632	34,165	22,632
Basic EPS in €	-0.31	-0.44	-0.16	-0.24
Diluted EPS in €	–	–	–	–

No dilution as defined in IAS 33.41 ff. occurred as a result of the share options granted.

## D. Selected notes to the statement of financial position as of 30 June 2017

### Assets

#### Intangible assets and property, plant and equipment

Intangible assets amounting to €1 thousand (31 Dec 2016: €34 thousand) and property, plant and equipment totaling €13 thousand (31 Dec 2016: €23 thousand) were acquired during the reporting period. No evidence exists that would necessitate an unplanned impairment loss.

#### Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances. Current bank balances yield variable rates of interest. Short-term investments predominantly have maturities of up to three months, which are determined depending on the company's cash needs at the time. They have fixed interest rates. As of the reporting date, the value of cash and short-term investments totaled €14,153 thousand (31 Dec 2016: €20,520 thousand). This is calculated based on the nominal value of the holdings in euros and the value of an account denominated in foreign currency as measured at the exchange rate on 30 June 2017.

#### Other current assets and income tax receivables

€ '000	30 June 2017	31 December 2016
Reimbursements from VAT	289	258
Income tax receivables	0	1
Other receivables	549	475
	<b>838</b>	<b>734</b>

No impairment losses were recorded against other assets during the reporting period and fiscal year 2016. Payments on account totaling €145 thousand (previous year: €316) are reported under other receivables for services in connection with clinical trials.

### Equity and liabilities

#### Non-current liabilities

Liabilities to third parties from the issue of convertible bonds and deferred income are reported under non-current liabilities.

#### Convertible bonds

The company issued a convertible bond in January 2017 which, because of the financial instrument's hybrid structure, was split into a financial liability component and an equity component.

By virtue of a resolution of 21 December 2016 the Executive Board of MOLOGEN decided, with the consent of the Supervisory Board, to issue a convertible bond as authorized pursuant to the resolution of the Annual General Meeting of MOLOGEN of 13 August 2014 (conditional capital 2014-1).

In January 2017, 499,999 bonds of €10 each were issued as part of the convertible bond (2017/25), with a total nominal value of €4.99 million.

The convertible bond 2017/25 was issued on 20 January 2017. It has a maturity of eight years. On the final maturity date, 20 January 2025, the convertible bond will be repaid at its nominal value plus any accrued but unpaid interest at the nominal value up to (but not including) the final repayment date, provided that the respective convertible bond has not been repaid, converted, redeemed or devalued prematurely.

An interest rate of 6% per annum will be paid on the nominal value of the convertible bond from (and including) 20 January 2017. Interest is payable retrospectively, on a quarterly basis on 31 March, 30 June, 30 September and 31 December of each year and for the first time on 31 March 2017 for the period from the issue date to 31 March 2017.

MOLOGEN (bond debtor) grants each bond holder the right, at any time during the exercise period (starting on and including 1 April 2017), to convert each bond issued as part of the convertible bond in its entirety, though not part thereof, into a number of underlying shares per convertible bond that corresponds to the conversion ratio. The conversion ratio is calculated by dividing the nominal value of the convertible bond by the respective applicable conversion price. The initial conversion price is set at €1.60 and the initial conversion ratio is 6.25. Accordingly, a maximum of 3,124,994 shares can result from the conversion.

Conversion rights may not be exercised during any non-exercise period.

Each of the following is a non-exercise period:

On the occasion of the Annual General Meeting of the bond debtor, during a period which begins on the eighth day before (and including) the last day of registration for the Annual General Meeting and ends on the first working day after the Annual General Meeting (each excluded);

during a period of seven days before the end of the financial year;

during a period that starts with (and includes) the earlier of the two days on which the bond debtor publishes a rights offering in the Federal Gazette for its shareholders to subscribe to shares, option rights for own shares, bonds with option or conversion rights or obligations, profit-sharing certificates, participation rights or a similar offer (including but not limited to offers in relation to spin-offs (Section 123 Para. 2 of the German Transformation Act [UmwG]) or publishes an ad hoc or similar release with specific details of the upcoming subscription offer (including subscription ratio and the expected start of the subscription period), and ends on (and including) the last day of the period set for exercising the subscription rights.

Under certain conditions, the bond holder has the right to call due all claims on any bonds they hold by providing notice of termination and to demand the repayment of the nominal value plus any accrued interest due up to (but excluding) the effective date of repayment. The cancellation conditions include, inter alia, late payments by the debtor of the convertible bond, the initiation of any insolvency proceedings and other breaches of duty in the context of the issue.

<b>In T€</b>	
Gross proceeds from the issuance of a convertible bond in fiscal year 2016	2,540
Gross proceeds from the issuance of a convertible bond in H1 2017	5,000
<b>Gross proceeds from the issuance of convertible bonds - total</b>	<b>7,540</b>
<i>of which financial liability component of the convertible bond at the time of issue</i>	7,057
<i>of which equity component of the convertible bond at date of issue</i>	483
Expenses for the liability component in connection with the issuance of the convertible bond - total	-53
<i>of which in H1 2017</i>	-29
Expenses for the equity component in connection with the issuance of the convertible bond - total	-6
<i>of which in H1 2017</i>	-1
Interest expenses - total	-248
<i>of which in H1 2017</i>	-232
Conversion of bonds in fiscal year 2016	0
Conversion of bonds in H1 2017	-495
<b>Financial liability component of the convertible bond as of 30 June 2017</b>	<b>6,591</b>

For further information on deriving the fair value of the equity component, please refer to explanations under Capital reserves in these Notes.

#### Deferred income

The amount of €1 thousand (31 Dec 2016: €2 thousand) reported as deferred income comes from government grants for investments.

#### Current liabilities

<b>€ 000</b>	<b>30 June 2017</b>	<b>31 December 2016</b>
Trade payables	5,963	6,530
Liabilities from income and church tax	84	144
Liabilities to banks	21	3
Other liabilities	575	727
	<b>6,643</b>	<b>7,404</b>

#### Shareholders' equity

The composition of shareholders' equity and the development of its components are presented in the statement of changes in equity.

#### Issued capital

MOLOGEN's share capital of €34,265,866, which is divided into 34,265,866 no-par ordinary bearer shares, each with a notional share of €1.00 in the share capital, is reported as issued capital.

## Authorized and conditional capital

The company had the following authorized and conditional capital as of 30 June 2017:

€	30 June 2017	31 December 2016	Change
Authorized capital	0	0	0
Conditional capital 2010	610,151	610,151	0
Conditional capital 2011	238,393	238,393	0
Conditional capital 2012	209,234	209,234	0
Conditional capital 2013-1	328,672	328,672	0
Conditional capital 2014-1	6,789,451	6,789,451	0
Conditional capital 2014-2	176,051	176,051	0
Conditional capital 2015	700,649	700,649	0

## Capital reserves

The convertible bonds described under the "Convertible bonds" item in these Notes were split into a financial liability component and an equity component in view of the hybrid structure of these financial instruments.

The equity component of €483 thousand (previous year: €422 thousand) – consisting of the difference between the issue amount of the bonds with a convertible right and the estimated issue amount/market price of the same bonds without convertible right – was included under capital reserves. At the same time, the pro rata share of the costs of €11 thousand (previous year: €5 thousand) for the equity component of the convertible bonds incurred during the reporting period were accounted for under the capital reserves, increasing them by a total of €50 thousand. The so-called conversion premium was calculated using the Black-Scholes model and made plausible using market observations.

The following parameters were used for calculations based on the Black-Scholes model for the convertible bond 2017/25 issued during the reporting period:

Expected volatility (%)	34.50
Risk-free interest rate (%)	1.00
Anticipated life of the option (years)	3.80
Expected share price on the day of issue (€)	1.64

No costs for equity procurement were incurred during the reporting period (H1 2016: €0 thousand).

In the period under review, the application of IFRS 2 (Share-based Payment) resulted in additions to capital reserves in the amount of €132 thousand (H1 2016: €91 thousand).

€' 000	30 June 2017	31 December 2016
Capital reserves	105,459	105,273
Capital reserves from issuance of bonds for conversion and option rights	483	422
Employee compensation in equity instruments	7,254	7,122
Costs of capital procurement	-9,164	-9,153
	<b>104,032</b>	<b>103,664</b>

#### E. Notes to the statement of cash flows

The statement of cash flows shows how MOLOGEN's cash and cash equivalents changed during the reporting period through cash inflows and outflows. In accordance with IAS 7, distinctions are made between cash flows from operating, investing and financing activities.

#### F. Notes on the employee participation programs

The company has set up several share-based employee participation programs. Further comments on the employee participation programs are available in the Annual Report 2016 (Section F of the Notes to the IFRS annual financial statements). No new share option program was set up during the reporting period. The following table shows the number and weighted average exercise price (WAEF) as well as the development of the share options during the reporting period.

	WAEF per share option €	Share options (units)
<b>As of 01 Jan 2017</b>	<b>7.91</b>	<b>1,400,308</b>
Granted <sup>a)</sup>	3.14	364,725
Forfeited	7.15	1,042
Exercised <sup>b)</sup>	-	0
Expired	-	0
<b>As of 06 June 2017</b>	<b>6.93</b>	<b>1,763,991</b>
Exercisable as of 30 June 2017 <sup>c)</sup>	8.95	914,805

<sup>a)</sup> The weighted average fair value of the share options granted during the reporting period amounted to €1.41 per option.

<sup>b)</sup> The weighted average share price at the time of exercising the share options was not determined during the reporting period.

<sup>c)</sup> This only takes into account if the vesting period of the share options has already expired. All other contractual conditions, such as fulfillment of the performance targets, are disregarded.

The share options granted during the reporting period resulted from the existing share option program SOP 2015. The contractual terms

- share options, beneficiaries, duration, waiting period, exercise periods, basis price, exercise price and performance target

are specified in the Annual Report 2016 (section F of the Notes to the IFRS annual financial statements).

The following parameters will be used to determine the fair value of the share options granted in 2017:

- dividend yield – 0.00%
- expected volatility – 60.59%
- risk-free interest rate – 0.23%
- anticipated life of the option – 5.5 years
- share price on the day of issue – €3.00
- expected volatility of the DAXsubsector Biotechnology (Performance) Index – 21.73%

The weighted average remaining contractual duration of the share options outstanding as of 30 June 2017 was 3.23 years. The exercise prices for the options outstanding at the end of the reporting period range from €3.14 to €13.91.

#### G. Other financial liabilities and contingent liabilities

€ 000	Current	Non-current	Total
Financial liabilities from lease agreements	185	157	342
Other financial liabilities	7,002	7,000	14,002

There were no contingent liabilities pursuant to IAS 37 as of 30 June 2017.

#### H. Notes on the type and management of financial risks

Information on the risks arising from financial instruments and on financial risk management is available in the Annual Report 2016 (Section H of the Notes to the IFRS annual financial statements). There are no additional risks to be added to those described there.



## I. Other information

### Information on affiliated persons and companies

Dr. Matthias Baumann was appointed Chief Medical Officer and Member of the Executive Board of MOLOGEN with effect from 1 May 2017.

There were no changes to the composition of the Supervisory Board during the reporting period.

### Information on significant events after 30 June 2017

#### Authorized and conditional capital

The resolutions of the Annual General Meeting on 28 April 2017 regarding the creation of conditional and authorized capital were duly entered into the commercial register with jurisdiction over the company on 24. July 2017.

The Annual General Meeting on 28 April 2017 authorized the Executive Board to create new authorized capital 2017. With the consent of the Supervisory Board, the Executive Board was empowered to increase the company's share capital in the period up to 27 April 2022 through the issue of new no-par value bearer shares against contributions in cash or in kind once or several times, but up to a maximum of €16,973,625 (authorized capital 2017) and, in doing so, to determine a start date for profit participation that differs from the law pursuant to Section 23 Para. 2 of the Articles of Association.

Through a resolution of the Annual General Meeting of 28 April 2017, conditional capital 2017-1 amounting to €9,192,148 split into 9,192,148 ordinary shares was created. The conditional capital 2017-1 will be used to grant shares to holders or creditors of convertible bonds or bonds with warrants attached (or a combination of both these instruments) which are issued by the company or group companies under the management of the company as authorized pursuant to the resolution of the Annual General Meeting of 28 April 2017 under agenda item 8 b), and which give conversion or option rights to new no-par bearer shares of the company and/or determine a conversion or option obligation or preemptive tender right up to 27 April 2022.

In addition, the capital was increased by € 700,000 through the issue of up to 700,000 new no-par bearer ordinary shares each with a notional share of € 1.00 in the share capital (conditional capital 2017-2). The conditional capital increase will serve exclusively to grant rights to the holders of share options by virtue of the resolution passed by the Annual General Meeting of 28 April 2017 under Agenda point 9 a).

The conditional capital 2014-1 has been changed. The share capital has been increased conditionally by up to €4,818,327.00 through the issue of up to 4,818,327 new no-par ordinary bearer shares each with a proportional amount of the share capital of €1.00 ("conditional capital 2014-1"). The conditional capital increase will serve to grant ordinary bearer shares to the holders or creditors of convertible and/or option bonds, profit-sharing certificates and/or profit-sharing bonds (or a combination of these instruments), which are issued by the company or group companies under the management of the company as authorized pursuant to the resolution of the Annual General Meeting of 13 August 2014 under agenda item 7b) and which grant conversion or option rights to new ordinary bearer shares of the company and/or determine a conversion obligation or preemptive tender right and to the extent that the issuance of shares is against contributions in cash.

The complete wording of the resolutions has been replicated in the Articles of Association of 28 April 2017 and published on the company's homepage.

The complete wording of the resolutions has been replicated in the Articles of Association of 28 April 2017 and has been published on the company website.

Upon entry of the resolution, the authorized and condition capital change as follow:

€	24 July 2017	31 December 2016	Change
Authorized capital	16,973,625	0	16,973,625
Conditional capital 2010	610,151	610,151	0
Conditional capital 2011	238,393	238,393	0
Conditional capital 2012	209,234	209,234	0
Conditional capital 2013-1	328,672	328,672	0
Conditional capital 2014-1	4,818,327	6,789,451	-1,971,124
Conditional capital 2014-2	176,051	176,051	0
Conditional capital 2015	700,649	700,649	0
Conditional capital 2017-1	9,192,148	0	9,192,148
Conditional capital 2017-2	700,000	0	700,000

#### TEACH

On 8 August 2017, MOLOGEN released key results for the extension phase Ib/IIa study in HIV (TEACH). Please refer to page 12 in this half-year financial report.

#### Convertible bonds

Since 1 April 2017 it is possible to convert partial bonds from the convertible bond 2017/25 into MOLOGEN shares. Until 9 August 2017 partial bonds have been converted into 313,400 non-par-value shares. This results in a new share capital of 34,260,651.

#### Approval of the Interim Financial Statements

These interim financial statements were adopted by the Executive Board on 9 August 2017 and released for publication.

Berlin, 9 August 2017

MOLOGEN AG

Dr Mariola Söhnngen

Dr Matthias Baumann

Walter Miller

## RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles on interim reporting, the interim financial statements give a true and fair view of the assets, liabilities, financial and profit and loss situation of the company, and the interim management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principle opportunities and risks associated with the expected development of the company in the remainder of the fiscal year.

Berlin, 9 August 2017

Executive Board of MOLOGEN AG

Dr Mariola Söhngen

Dr Matthias Baumann

Walter Miller

**FINANCIAL CALENDAR 2017**

March 22, 2017  
Annual Financial Statement  
and Annual Report 2016

April 28, 2017  
Annual General Meeting

May 11, 2017  
Quarterly Statement  
as of March 31, 2017

August 10, 2017  
Half-Year Report  
as of June 30, 2017

November 09, 2017  
Quarterly Statement  
as of September 30, 2017

**FOR FURTHER INFORMATION PLEASE CONTACT**

Investor Relations & Corporate Communications  
Phone +49 30 84 17 88-38  
[investor@mologen.com](mailto:investor@mologen.com)  
[www.mologen.com](http://www.mologen.com)

**DISCLAIMER**

This information contains forward-looking statements based on current assumptions and estimates by the company management of MOLOGEN AG. Forward-looking statements are characterized by the use of words such as expect, intend, plan, predict, assume, believe, estimate, and similar formulations. These statements are not to be understood as in any way guaranteeing that these expectations will turn out to be accurate. Future performance and the results achieved by MOLOGEN AG depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors, such as the future economic environment and the behavior of competitors and others involved in the marketplace, are outside the control of MOLOGEN AG and cannot be accurately estimated in advance. MOLOGEN neither plans nor undertakes to update any forward-looking statements.

**IMPRINT**

**Publisher**  
MOLOGEN AG  
Fabeckstrasse 30  
D-14195 Berlin

Tel.: +49 30 84 17 88-0  
Fax: +49 30 84 17 88-50