

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

MYMETICS CORP

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2021

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 000-25132

MYMETICS CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE

State or Other jurisdiction of
Incorporation or Organization

25-1741849

I.R.S. Employer Identification No.

c/o Ernie Stern
1101 Pennsylvania Avenue, N.W., Suite 300
Washington D.C.
United States

USA-20004

Address

Zip Code

c/o Mymetics SA
Route de la Corniche 4
Epalinges, Switzerland

CH-1066

Address of Principal Executive Offices

Zip Code

011 41 21 653 4535

Registrant's Telephone Number, Including Area Code

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value \$0.01 per share	MYMX	OTCQB venture stage marketplace

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

The number of shares outstanding of the Registrant's Common Stock, \$0.01 par value, was 303,757,622 as of May 18, 2021



PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

MYMETICS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

(In Thousands of Euros, Except Share and Par Value)

	March 31, 2021	December 31, 2020
	(unaudited)	
ASSETS		
Current Assets		
Cash	E 738	E 1,083
Accounts receivable	66	71
Prepaid expenses	75	85
Total current assets	<u>879</u>	<u>1,239</u>
Rent deposit	10	10
Property and equipment, net of accumulated depreciation of E467 at March 31, 2021 and E463 at December 31, 2020	54	48
Right-of-Use Asset	102	128
Goodwill	6,671	6,671
	<u>E 7,716</u>	<u>E 8,096</u>
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable	E 163	E 70
Operating lease liability	106	105
Non-convertible notes payable and related accrued interest to related parties	7,446	7,402
Convertible notes payable and related accrued interest to related parties	56,455	55,688
Total current liabilities	<u>64,170</u>	<u>63,265</u>
Long Term Liabilities		
Debt-Federal Financing Bank	152	156
Operating lease liability	--	27
Total long-term liabilities	<u>152</u>	<u>183</u>
	<u>64,322</u>	<u>63,448</u>
Commitments and Contingencies (Note 3)	--	--
Shareholders' Deficit		
Common stock, U.S. \$0.01 par value; 1,200,000,000 shares authorized; issued and outstanding 303,757,622 at March 31, 2021 and at December 31, 2020	2,530	2,530
Preferred stock, U.S. \$0.01 par value; 5,000,000 shares authorized; none issued or outstanding	--	--
Additional paid-in capital	34,443	34,443
Accumulated deficit	(94,266)	(93,020)
Accumulated other comprehensive income	687	695
Total shareholders' deficit	<u>(56,606)</u>	<u>(55,352)</u>
Total liabilities and shareholders' deficit	<u>E 7,716</u>	<u>E 8,096</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

MYMETICS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(UNAUDITED)
(In Thousands of Euros, Except Share and Per Share Data)

	Three Months Ended March 31,	
	2021	2020
Revenue		
Research and development services	E 3	E 17
Grants revenue	131	255
	<u>134</u>	<u>272</u>
Expenses		
Research and development	254	322
General and administrative	291	325
	<u>545</u>	<u>647</u>
Operating Loss	(411)	(375)
Interest expense	685	675
Other expense	122	106
Loss before income tax provision	<u>(1,218)</u>	<u>(1,156)</u>
Income tax provision	(28)	(8)
Net Loss	<u>(1,246)</u>	<u>(1,164)</u>
Other comprehensive loss		
Foreign currency translation adjustment	(8)	7
Comprehensive loss	<u>E (1,254)</u>	<u>E (1,157)</u>
Basic and diluted earnings per share	E (0.00)	E (0.00)
Weighted-average shares outstanding, basic and diluted	<u>303,757,622</u>	<u>303,757,622</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

MYMETICS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
(UNAUDITED)
(In Thousands of Euros)

	Three-month Period Ended March 31, 2020					
	Common Stock Number of Par		APIC	Accumulated deficit	Accumulated Other Comprehensive Income	Total
	Shares	Value				
Balance at December 31, 2019	303,757,622	E 2,530	E 34,443	E (88,862)	E 691	E (51,198)
Net loss	-	-	-	(1,164)	-	(1,164)
Translation adjustment	-	-	-	-	7	7
Balance at March 31, 2020	303,757,622	E 2,530	E 34,443	E (90,026)	E 698	E (52,355)

	Three-month Period Ended March 31, 2021					
	Common Stock Number of Par		APIC	Accumulated deficit	Accumulated Other Comprehensive Income	Total
	Shares	Value				
Balance at December 31, 2020	303,757,622	E 2,530	E 34,443	E (93,020)	E 695	E (55,352)
Net loss	-	-	-	(1,246)	-	(1,246)
Translation adjustment	-	-	-	-	(8)	(8)
Balance at March 31, 2021	303,757,622	E 2,530	E 34,443	E (94,266)	E 687	E (56,606)

The accompanying notes are an integral part of these condensed consolidated financial statements.

MYMETICS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(In Thousands of Euros)

	For The Three Months Ended March 31,	
	2021	2020
<i>Cash Flow from Operating Activities</i>		
Net Loss	E (1,246)	E (1,164)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation	4	5
Changes in operating assets and liabilities		
Receivables	5	(167)
Accrued interests on convertible notes payable	767	699
Accrued interests on non-convertible notes payable	44	32
Accounts payable	93	69
Deferred grant	-	46
Other	6	26
Net cash used in operating activities	<u>(327)</u>	<u>(454)</u>
<i>Cash Flows from Investing Activities</i>		
Purchase of property and equipment	(10)	(5)
Net cash used in investing activities	<u>(10)</u>	<u>(5)</u>
Effect on foreign exchange rate on cash	(8)	7
Net change in cash	<u>(345)</u>	<u>(452)</u>
Cash, beginning of period	1,083	683
Cash, end of period	<u>E 738</u>	<u>E 231</u>
<i>Supplemental Disclosure of Cash Flow Information:</i>		
Cash paid for taxes	<u>28</u>	<u>8</u>

The accompanying notes are an integral part of these consolidated financial statements.

MYMETICS CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2021
(UNAUDITED)

Note 1. The Company and Summary of Significant Accounting Policies

BASIS OF PRESENTATION AND GOING CONCERN

The amounts in the notes are shown in thousands of EURO, unless otherwise noted, and rounded to the nearest thousand except for share and per share amounts.

The accompanying interim period condensed consolidated financial statements of Mymetics Corporation (the "Company") set forth herein have been prepared by the Company pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosure normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such SEC rules and regulations. The interim period condensed consolidated financial statements should be read together with the audited financial statements and the accompanying notes included in the Company's latest annual report on Form 10-K for the fiscal year ended December 31, 2020.

The accompanying financial statements of the Company are unaudited. However, in the opinion of the Company, the unaudited condensed consolidated financial statements contained herein contain all adjustments necessary to present a fair statement of the results of the interim periods presented. All adjustments made during the three-month period ending March 31, 2021 were of a normal and recurring nature.

The Company was created for the purpose of engaging in vaccine research and development. Its main research efforts in the beginning have been concentrated in the prevention and treatment of the AIDS virus and malaria. The Company has established a network which enables it to work with education centers, research centers, pharmaceutical laboratories and biotechnology companies. Besides the HIV and malaria vaccine candidates under development, the Company additionally has preclinical data for the following vaccines: Herpes Simplex and Respiratory Syncytial Virus ("RSV"), neither of which is currently being developed. The company also has clinical data for an intranasal influenza vaccine for the elderly which has finished a Phase I clinical trial and is currently on hold. As of March 31, 2021, the Company is working on several research projects with commercial partners for immunotherapy in the field oncology and for some infectious diseases with academic partners. Since April 2020, the Company has additionally started to work on the development of a virosome-based vaccine to prevent Covid-19, the disease caused by the SARS-CoV-2 virus. For the Covid-19 vaccine candidates, the Company is collaborating with leading academic institutions, such as Baylor College of Medicine in Texas, the Amsterdam medical Center (AMC) of the University of Amsterdam in the Netherlands and the University Hospital in Bern, Switzerland.

As of March 31, 2021, the Company was engaged in the pre-clinical testing of some of its vaccine candidates, but a commercially viable product is not expected for several more years. However, the Company generated some revenue through collaboration and grant agreements.

These consolidated financial statements have been prepared assuming the Company will continue as a going concern. The Company has experienced negative cash flows from operations and significant losses since inception resulting in an accumulated deficit of €94,266 at March 31, 2021. Further, the Company's current liabilities exceed its current assets by €63,291 as of March 31, 2021, and there is no assurance that cash will become available to pay current liabilities in the near term. Management is seeking additional financing but there can be no assurance that management will be successful in any of those efforts. These conditions raise substantial doubt about our ability to continue as a going concern within one year from the issuance of the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

LEASES

The Company follows the guidance in ASC 842, which established a right-of-use ("ROU") model requiring lessees to record a right-of-use ("ROU") asset and lease obligations on the balance sheet for all leases with terms longer than 12 months. The Company determines if an arrangement is a lease at inception. Where an arrangement is a lease, the Company determines if it is an operating lease or a finance lease. At lease commencement, the Company records a lease liability and corresponding ROU asset. Lease liabilities represent the present value of our future lease payments over the expected lease term which includes options to extend or terminate the lease when it is reasonably certain those options will be exercised. The present value of the Company's lease liability is determined using its incremental collateralized borrowing rate at lease inception. ROU assets represent its right to control the use of the leased asset during the lease and are recognized in an amount equal to the lease liability for leases with an initial term greater than 12 months. Over the lease term (operating leases only), the Company uses the effective interest rate method to account for the lease liability as lease payments are made and the ROU asset is amortized to consolidated statement of operations in a manner that results in straight-line expense recognition. The Company does not apply lease recognition requirements for short-term leases. Instead, the Company recognizes payments related to these arrangements in the consolidated statement of operations as lease costs on a straight-line basis over the lease term.

IMPACT OF THE NOVEL CORONAVIRUS

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The COVID-19 pandemic continues to rapidly evolve. The extent to which the outbreak impacts our business, preclinical studies and clinical trials will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the pandemic, travel restrictions and social distancing, business closures or business disruptions and the effectiveness of actions taken in the U.S., Europe, and other countries to contain and treat the disease. As such, it is uncertain as to the full magnitude that the pandemic will have on the Company’s financial condition, liquidity, and future results of operations.

Management has taken measures in-line with the country requirements where we are operating, and we are actively monitoring the global situation on its financial condition, liquidity, operations, scientific collaborations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.

The Company’s partner for the oncology immunotherapy project in the Netherlands has decreased their laboratory experiments due to reduced operating hours in those facilities. While the Company considers this disruption to be temporary, continued disruption in this project will lead to delayed advances by the Company of its research and could negatively impact revenue for the remainder of fiscal year 2021 and the Company’s overall liquidity.

The Company is dependent on its workforce to deliver and advance its research. Developments such as physical distancing and working from home directives have and will continue to impact the Company’s ability to deploy its workforce effectively. While expected to be temporary, prolonged workforce disruptions may negatively impact future revenues for the remainder of fiscal year 2021 and the Company’s overall liquidity.

The Company is dependent on its partners in certain projects, such as the University of Louisiana at Lafayette (“ULL”) for the NIH funded project to maintain the agreed timelines and execute their tasks. Developments such as social distancing and shelter-in-place directives and lock-down directives have and will continue to impact the Company’s ability to execute on project plans and research objectives effectively. While expected to be temporary, prolonged disruptions in collaboration projects may negatively impact funding for the fiscal year 2021 and the Company’s overall liquidity.

Although the Company cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have a material adverse effect on the Company’s results of future operations, financial position, and liquidity for the fiscal year 2021.

CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT

On March 27, 2020, the U.S. Government enacted the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law. The CARES Act includes various income and payroll tax provisions. The Company has analyzed the tax provisions of the CARES Act and determined they have no significant financial impact to the condensed financial statements. The Company has no intention of taking advantage of other benefits provided by the CARES Act but will continue to evaluate the impact on the Company’s financial position.

PRINCIPLES OF CONSOLIDATION

The condensed consolidated financial statements include the accounts of the Company and its subsidiaries. Significant intercompany accounts and transactions have been eliminated.

NEW ACCOUNTING PRONOUNCEMENT

In August 2020, the FASB issued ASU 2020-06, *Debt—Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging—Contracts in Entity's Own Equity* (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity, which simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts on an entity's own equity. Specifically, ASU 2020-06 simplifies accounting for the issuance of convertible instruments by removing major separation models required under current GAAP. In addition, the ASU removes certain settlement conditions that are required for equity contracts to qualify for the derivative scope exception and simplifies the diluted earnings per share (EPS) calculation in certain areas. ASU 2020-06 will be effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted, beginning in fiscal years which begin after December 15, 2020. The FASB has specified that an entity should adopt the guidance as of the beginning of its annual fiscal year. The Company adopted this standard effective January 1, 2021, and the adoption had no impact on the consolidated financial statements.

FOREIGN CURRENCY TRANSLATION

The Company translates non-Euro assets and liabilities of its subsidiaries at the rate of exchange at the balance sheet date. Revenues and expenses are translated at the average rate of exchange throughout the period. Unrealized gains or losses from these translations are reported as a separate component of comprehensive income. Transaction gains or losses are included in general and administrative expenses in the consolidated statements of comprehensive loss. The translation adjustments do not recognize the effect of income tax because the Company expects to reinvest the amounts indefinitely in operations. The Company's reporting currency is the Euro because substantially all of the Company's activities are conducted in Europe.

CASH

We consider all highly liquid investments purchased with maturities of three months or less to be cash equivalents. Cash deposits are occasionally in excess of insured amounts.

REVENUE RECOGNITION

The Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. This principle is applied using the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of Topic 606, the Company assesses the goods or services promised within each contract and determine those that are performance obligations and assess whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

The Company has concluded that government grants are not within the scope of Topic 606, as they do not meet the definition of a contract with a "customer". The Company concluded the definition of a contract with a "customer" was not met as the counterparty to the government grants has not contracted to obtain goods or services and thus the contracts are not considered to have commercial substance. Government grants provide the Company with payments for certain types of expenditures related to research and development activities over a contractually defined period. Revenue from government grants is recognized in the period during which the related costs are incurred, provided that the applicable conditions under the government contracts have been met.

NIH

On April 29, 2019, the National Institutes of Health ("NIH") awarded the Company and Texas Biomedical Research Institute ("Texas Biomed") a five-year grant for the project called "Cold Chain-independent, Needle-free Mucosal Virosomal Vaccine to Prevent HIV-1 Acquisition at Mucosal Levels". The project started on May 1, 2019 and is planned for five years. The overall budget related to the project is USD 8,850, with USD 1,940 approved for the first year and USD 1,856 approved for the second year.

The amounts mentioned in the following statements are purely related to the Company and not to the other partners in the project: The overall portion of the grant allocated to the Company is USD 5,930, with USD 1,190 approved for the first year and USD 1,052 approved for the second year. It was initially co-led by Texas Biomed, but due to the move of Dr. Ruth Ruprecht, the Co-Principal Investigator, to the University of Louisiana at Lafayette (“ULL”) at the end of 2019, ULL has become the co-lead with Mymetics for this project. To date, the Company has recognized €1,305 of grant revenue from the NIH, of which €131 has been recognized during the quarter ended March 31, 2021. First results are expected to be reported in 2021.

The project has the objective to prepare the Company’s promising HIV-1 vaccine candidate for clinical trials, by first executing a non-human primate (“NHP”) study, where the test subjects will be receiving Mymetics’ virosome based HIV-1 vaccine candidate by several intramuscular and intra-nasal applications, followed by rectal challenges. As of March 31, 2021, Mymetics has successfully produced two sets of virosome based vaccines and the NHPs have received two intramuscular vaccinations and three intranasal vaccinations. The vaccinations were well tolerated and there were no safety issues. During 2021 the vaccinated NHPs will start to receive rectal challenges. The vaccine is created to induce protective mucosal antibodies acting as a frontline defense against sexual HIV transmission. This awarded grant from the NIH can continue some of the developments that were achieved during the European Horizon 2020 project.

Option to License Agreement – ANERGIS SA

In December 2018, the Company announced that the success criteria of the Research and Option to License Agreement with Anergis SA (“Anergis”) had been met. Under the terms of the Research Agreement, a pre-clinical study program evaluated the immunogenicity profile of the Anergis’ peptides designed to treat birch allergy when presented on Mymetics’ proprietary virosomes, with or without undisclosed TLR ligands or other adjuvants, and these results were compared to Anergis’ AllerT product combination. In October 2019 Anergis started a new evaluation study in collaboration with Stallergenes Greer SA, in which the Mymetics COP virosomes were evaluated in a preclinical study. In May 2020 the Company announced that Stallergenes Greer and Anergis reported the results of the joint research study (the second study) evaluating the effects of the second generation Contiguous Overlapping Peptides (COP) allergen immunotherapy in a therapeutic model of birch allergy, with the aim of shortening the AIT administration schemes. In the second study, conducted by Stallergenes Greer, COP-Virosomes, and COP and virosomes alone were compared to a placebo group in an in-house therapeutic model of birch pollen allergy. Recombinant Bet v 1 alone (the major allergen of birch pollen) and birch extract were also used as controls in this setting. COP-virosomes were the only synthetic therapy able to fully reverse asthma symptoms as well as lung inflammation (i.e., significant reduction in eosinophils in bronchial fluids). Pro-allergic immune responses also decreased with COP-virosome therapy with a significant decrease of the IL-4, a Th2 cytokine.

In January 2021, following the two successful studies with its virosome platform, Mymetics announced the acceptance of its joint publication in the scientific journal *Clinical & Experimental Allergy* with Stallergenes Greer SA and Anergis SA, with the title: Bet v 1 contiguous overlapping peptides anchored to virosomes with TLR4 agonist enhance immunotherapy efficacy in mice. Since February 1, 2021, Anergis SA has moved into liquidation as it was not able to raise sufficient funds to continue.

RECEIVABLES

Receivables are stated at their outstanding principal balances. Management reviews the collectability of receivables on a periodic basis and determines the appropriate amount of any allowance. There was no allowance necessary at March 31, 2021 or December 31, 2020. The Company writes off receivables to the allowance when management determines that a receivable is not collectible. The Company may retain a security interest in the products sold.

PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost and is depreciated over its estimated useful life on straight-line basis from the date placed in service. Estimated useful lives are usually taken as three years.

IMPAIRMENT OF LONG-LIVED ASSETS

Long-lived assets, which include property and equipment, are assessed for impairment whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. The impairment testing involves comparing the carrying amount to the forecasted undiscounted future cash flows generated by that asset. In the event the carrying value of the assets exceeds the undiscounted future cash flows generated by that asset and the carrying value is not considered recoverable, impairment exists. An impairment loss is measured as the excess of the asset’s carrying value over its fair value, calculated using a discounted future cash flow method. An impairment loss would be recognized in net income (loss) in the period that the impairment occurs.

GOODWILL

Goodwill represents the excess of purchase price over the value assigned to the net tangible and identifiable intangible assets of a business acquired. The Company typically performs its annual goodwill impairment test effective as of April 1 of each year, unless events or circumstances indicate impairment may have occurred before that time. The Company assesses qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. After assessing qualitative factors, the Company determined that no further testing was necessary. If further testing was necessary, the Company would determine the fair value of each reporting unit and compare the fair value to the reporting unit's carrying amount. The Company has one reporting unit.

RESEARCH AND DEVELOPMENT

Research and development costs are expensed as incurred.

WITHHOLDING TAXES

On March 10, 2021, the Swiss Federal tax administration conducted a withholding tax audit on Mymetics SA's financial statements for the years 2015 to 2019. At the end of the tax audit, the tax inspector concluded that a portion of the intercompany interest expenses related to the subordinated loan from Mymetics Corporation to Mymetics SA could be considered as a hidden dividend distribution and therefore subject to Swiss withholding tax. The tax inspector encouraged the Company to file the relevant Swiss withholding tax forms to benefit from the double tax treaty between Switzerland and the United States. The final amount will be agreed after the Swiss Federal tax administration has received all required documentation. The Company filed and sent a preliminary report to the Federal tax administration. The Company expects to finalize the report during the fourth quarter of 2021, waiting for legal documents from the U.S. Federal tax office. The Company made a payment of €27, which was recognized during the three months ended March 31, 2021. As Mymetics SA's audited financial statements for the year ended December 31, 2020, have been signed before March 10, 2021 and, in agreement with the Swiss audit firm, the Swiss withholding tax to be paid by Mymetics SA on behalf of the Company is recognized in the first quarter of 2021.

TAXES ON INCOME

The Company accounts for income taxes under an asset and liability approach that requires the recognition of deferred tax assets and liabilities for expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. In estimating future tax consequences, the Company generally considers all expected future events other than enactments of changes in the tax laws or rates.

The Company reports a liability, if any, for unrecognized tax benefits resulting from uncertain income tax positions taken or expected to be taken in an income tax return. Estimated interest and penalties, if any, are recorded as a component of interest expense and other expense, respectively.

The Company has not recorded any liabilities for uncertain tax positions or any related interest and penalties at March 31, 2021 or December 31, 2020. The Company's United States tax returns are open to audit for the years ended December 31, 2015 to 2018. The returns for the Swiss subsidiary, Mymetics S.A., are open to audit for the year ended December 31, 2020. The returns for the Netherlands subsidiaries, Bestewil B.V. and Mymetics B.V., are open to audit for the year ended December 31, 2020.

EARNINGS PER SHARE

Basic earnings per share is computed by dividing net income or loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. Diluted earnings per share takes into consideration common shares outstanding (computed under basic earnings per share) and potentially dilutive securities. For the quarters ended March 31, 2021 and 2020, options and convertible debt were not included in the computation of diluted earnings per share because their effect would be anti-dilutive due to net losses incurred under the treasury stock method.

For the three months ended March 31, 2021, the basic weighted average number of shares was 303,757,622. The total potential number of shares issuable of 738,730,875 at March 31, 2021 includes 712,980,875 potential issuable shares related to convertible loans and 25,750,000 potential issuable shares related to outstanding not expired options granted to employees.

For the three months ended March 31, 2020, the basic weighted average number of shares was 303,757,622. The total potential number of shares issuable of 703,131,197 at March 31, 2020 includes 676,381,197 potential issuable shares related to convertible loans and 26,750,000 potential issuable shares related to outstanding not expired options granted to employees.

PREFERRED STOCK

The Company has authorized 5,000,000 shares of preferred stock that may be issued in several series with varying dividend, conversion and voting rights. No preferred shares are issued or outstanding at March 31, 2021 or December 31, 2020.

ESTIMATES

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

FAIR VALUE MEASUREMENTS

Fair value guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include:

- Level 1- Quoted prices in active markets for identical assets or liabilities.
- Level 2- Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3- Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

FAIR VALUES OF FINANCIAL INSTRUMENTS

The Company generally has the following financial instruments: cash, receivables, accounts payable, and notes payable. The carrying value of cash, accounts receivable, and accounts payable, approximates their fair value based on the short-term nature of these financial instruments. Management believes the fair value of the notes payable is reflecting the actual value reported for these instruments.

CONCENTRATIONS

The Company derived 94% and 98% of grant revenue for the three-month period ended March 31, 2020 and 2021 from one partner, respectively. For the period ended December 31, 2020, the Company derived 95% of grant revenue from one partner.

RELATED PARTY TRANSACTIONS

Mr. Ernest M. Stern, the Company's outside U.S. counsel, is both a director of the Company and is a partner in Culhane Meadows PLLC, the firm retained as legal counsel by the Company. The Company incurred professional fees to the counsel's law firm totaling €6 and €11 for the three months ended March 31, 2021 and 2020, respectively.

Two of the Company's major shareholders have granted secured convertible notes and short-term convertible notes and promissory notes, which have a total carrying amount of €63,467, including interest due to date. Conversion prices on the Euro-denominated convertible debt have been fixed to a fixed Euro/US dollar exchange rate.

Note 2. Debt Financing

Certain principal shareholders have granted the Company secured convertible notes (in accordance with the Uniform Commercial Code in the State of Delaware), short term convertible notes and other short-term notes, which have a total carrying value of €63,901 including interest due to date. Interest incurred on these notes since inception has been added to the principal amounts.

The details of the convertible notes and loans are as follows at March 31, 2021:

Lender Price	1st-Issue Date	Principal Amount	Duration (Note)	Interest Rate	Conversion Price (stated)	Fixed Rate EUR/USD Conversion
Eardley Holding A.G. (1)	06/23/2006	E 162	(2)	10% pa	\$ 0.10	N/A
Anglo Irish Bank S.A.(3)	10/21/2007	E 500	(2)	10% pa	\$ 0.50	1.4090
Round Enterprises Ltd.	12/10/2007	E 1,500	(2)	10% pa	\$ 0.50	1.4429
Round Enterprises Ltd.	01/22/2008	E 1,500	(2)	10% pa	\$ 0.50	1.4629
Round Enterprises Ltd.	04/25/2008	E 2,000	(2)	10% pa	\$ 0.50	1.5889
Round Enterprises Ltd.	06/30/2008	E 1,500	(2)	10% pa	\$ 0.50	1.5380
Round Enterprises Ltd.	11/18/2008	E 1,200	(2)	10% pa	\$ 0.50	1.2650
Round Enterprises Ltd.	02/09/2009	E 1,500	(2)	10% pa	\$ 0.50	1.2940
Round Enterprises Ltd.	06/15/2009	E 5,500	(2,4)	10% pa	\$ 0.80	1.4045
Eardley Holding A.G.	06/15/2009	E 100	(2,4)	10% pa	\$ 0.80	1.4300
Von Meyenburg	08/03/2009	E 200	(2)	10% pa	\$ 0.80	1.4400
Round Enterprises Ltd.	10/13/2009	E 2,000	(2)	5% pa	\$ 0.25	1.4854
Round Enterprises Ltd.	12/18/2009	E 2,200	(2)	5% pa	\$ 0.25	1.4338
Round Enterprises Ltd.	08/04/2011	E 1,023	(5,6)	10% pa	\$ 0.034	N/A
Eardley Holding A.G.	08/04/2011	E 256	(5,6)	10% pa	\$ 0.034	N/A
Round Enterprises Ltd.	11/08/2011	E 400	(6)	10% pa	\$ 0.034	1.3787
Eardley Holding A.G.	11/08/2011	E 100	(6)	10% pa	\$ 0.034	1.3787
Round Enterprises Ltd.	02/10/2012	E 1,000	(6)	10% pa	\$ 0.034	1.3260
Eardley Holding A.G.	02/14/2012	E 200	(6)	10% pa	\$ 0.034	1.3260
Round Enterprises Ltd.	04/19/2012	E 322	(6)	10% pa	\$ 0.034	1.3100
Eardley Holding A.G.	04/19/2012	E 80	(6)	10% pa	\$ 0.034	1.3100
Round Enterprises Ltd.	05/04/2012	E 480	(6)	10% pa	\$ 0.034	1.3152
Eardley Holding A.G.	05/04/2012	E 120	(6)	10% pa	\$ 0.034	1.3152
Round Enterprises Ltd.	09/03/2012	E 200	(6)	10% pa	\$ 0.034	1.2576
Eardley Holding A.G.	09/03/2012	E 50	(6)	10% pa	\$ 0.034	1.2576
Round Enterprises Ltd.	11/14/2012	E 500	(6)	10% pa	\$ 0.034	1.2718
Eardley Holding A.G.	12/06/2012	E 125	(6)	10% pa	\$ 0.034	1.3070
Round Enterprises Ltd.	01/16/2013	E 240	(6)	10% pa	\$ 0.034	1.3318
Eardley Holding A.G.	01/16/2013	E 60	(6)	10% pa	\$ 0.034	1.3318
Round Enterprises Ltd.	03/25/2013	E 400	(6)	10% pa	\$ 0.037	1.2915
Eardley Holding A.G.	04/14/2013	E 150	(6)	10% pa	\$ 0.034	1.3056
Round Enterprises Ltd.	04/14/2013	E 600	(6)	10% pa	\$ 0.034	1.3056
Eardley Holding A.G.	05/15/2013	E 170	(6)	10% pa	\$ 0.037	1.2938
Round Enterprises Ltd.	05/15/2013	E 680	(6)	10% pa	\$ 0.037	1.2938
Eardley Holding A.G.	06/24/2013	E 60	(6)	10% pa	\$ 0.025	1.3340
Round Enterprises Ltd.	06/24/2013	E 240	(6)	10% pa	\$ 0.025	1.3340
Eardley Holding A.G.	08/05/2013	E 80	(6)	10% pa	\$ 0.018	1.3283
Round Enterprises Ltd.	08/05/2013	E 320	(6)	10% pa	\$ 0.018	1.3283
Eardley Holding A.G.	03/01/2017	E 230	(7)	2.5% pa	N/A	N/A
Round Enterprises Ltd.	03/01/2017	E 920	(7)	2.5% pa	N/A	N/A
Eardley Holding A.G.	10/18/2017	E 230	(7)	2.5% pa	N/A	N/A
Round Enterprises Ltd.	10/18/2017	E 920	(7)	2.5% pa	N/A	N/A
Eardley Holding A.G.	06/01/2018	E 160	(8)	2.5% pa	N/A	N/A
Round Enterprises Ltd.	06/01/2018	E 640	(8)	2.5% pa	N/A	N/A
Eardley Holding A.G.	11/10/2018	E 160	(8)	2.5% pa	N/A	N/A
Round Enterprises Ltd.	11/10/2018	E 640	(8)	2.5% pa	N/A	N/A
Eardley Holding A.G.	06/15/2019	E 120	(9)	2.5% pa	N/A	N/A
Round Enterprises Ltd.	06/15/2019	E 480	(9)	2.5% pa	N/A	N/A
Eardley Holding A.G.	12/20/2019	E 120	(10)	2.5% pa	N/A	N/A
Round Enterprises Ltd.	12/20/2019	E 480	(10)	2.5% pa	N/A	N/A
Eardley Holding A.G.	06/15/2020	E 220	(11)	2.5% pa	N/A	N/A
Round Enterprises Ltd.	06/15/2020	E 880	(11)	2.5% pa	N/A	N/A
Eardley Holding A.G.	12/15/2020	E 170	(12)	2.5% pa	N/A	N/A
Round Enterprises Ltd.	12/15/2020	E 680	(12)	2.5% pa	N/A	N/A
Total Short Term Principal Amounts		E 34,768				
Accrued Interest		E 29,133				
TOTAL LOANS AND NOTES		E 63,901				

- (1) Private investment company of Dr. Thomas Staehelin, member of the Board of Directors and of the Audit Committee of the Company. Face value is stated in U.S. dollars at \$190.
- (2) This maturity date is automatically prolonged for periods of three months, unless called for repayment.
- (3) Renamed Hyposwiss Private Bank Genève S.A. and acting on behalf of Round Enterprises Ltd. which is a major shareholder.
- (4) The loan is secured against 2/3rds of the IP assets of Bestewil Holding BV and against all property of the Company.
- (5) The face values of the loans are stated in U.S. dollars at \$1,200 and \$300, respectively.
- (6) This maturity date is automatically prolonged for periods of three months, unless called for repayment. The conversion price per share is determined by the lower of (i) reducing by 10% the price per share of the Company's common stock paid by the investors in connection with an investment in the Company of not less than US\$20,000, or (ii) at the fixed conversion price using a fixed exchange rate which are noted in the table above. The convertible note holder has the right to convert at any time prior to the maturity date, at the convertible note holder's option, prior to the repayment of the outstanding balance under the note by the Company, to convert the unpaid outstanding principal balance and accrued interest, in whole or in part, into common stock at the fixed conversion price as stated in the contract.
- (7) On March 1, 2017, Round Enterprises Ltd. and Eardley Holding AG each provided two promissory Notes for a total of €1,840 and €460, respectively, with a 2.5% interest per annum and a maturity date of March 1, 2018. The first 50% of the promissory Notes of €920 and €230, respectively, were provided immediately. The second 50% of the promissory notes of €920 and €230, respectively, were provided on October 18, 2017 with a 2.5% interest per annum and a maturity date of October 18, 2018. Both Round Enterprises Ltd. And Eardley Holding AG have agreed to amend the maturity date of these promissory notes to follow the same terms of the other convertible loans. Therefore, the maturity date of the promissory notes is amended to be the later of (i) June 30, 2018, or (ii) the end of a subsequent calendar quarter in which the Company receives a written request from the lender for repayment of the unpaid principal and accrued interest due under the Notes. The amendments were accounted for as modifications in the consolidated financial statements.
- (8) On June 1, 2018, Round Enterprises Ltd. and Eardley Holding AG each provided two promissory Notes for a total of €1,280 and €320 in two tranches, respectively, with a 2.5% interest per annum. The first tranche of the promissory Notes of €640 and €160, respectively, were provided immediately. The second tranche of the promissory notes of €640 and €160, respectively, were provided on November 10, 2018 with a 2.5% interest per annum. The maturity date of these promissory notes to follow the same terms of other convertible loans and is the later of (i) June 30, 2019, or (ii) the end of a subsequent calendar quarter in which the Company receives a written request from the lender for repayment of the unpaid principal and accrued interest due under the Notes.
- (9) On June 15, 2019, Round Enterprises Ltd. and Eardley Holding AG each provided promissory Notes for a total of €600 with a 2.5% interest per annum. The promissory Notes of €480 and €120, respectively, were provided immediately. The maturity date of these promissory notes to follow the same terms of other convertible loans and is the later of (i) December 31, 2020, or (ii) the end of a subsequent calendar quarter in which the Company receives a written request from the lender for repayment of the unpaid principal and accrued interest due under the Notes.
- (10) On December 20, 2019, Round Enterprises Ltd. and Eardley Holding AG each provided promissory Notes for a total of €600 with a 2.5% interest per annum. The promissory Notes of €480 and €120, respectively, were provided immediately. The maturity date of these promissory notes to follow the same terms of other convertible loans and is the later of (i) June 30, 2020, or (ii) the end of a subsequent calendar quarter in which the Company receives a written request from the lender for repayment of the unpaid principal and accrued interest due under the Notes.
- (11) On June 15, 2020, Round Enterprises Ltd. and Eardley Holding AG each provided promissory Notes for a total of €1,100 with a 2.5% interest per annum. The promissory Notes of €880 and €220, respectively, were provided immediately. The maturity date of these promissory notes to follow the same terms of other convertible loans and is the later of (i) September 30, 2020, or (ii) the end of a subsequent calendar quarter in which the Company receives a written request from the lender for repayment of the unpaid principal and accrued interest due under the Notes.
- (12) On December 15, 2020, Round Enterprises Ltd. and Eardley Holding AG each provided promissory Notes for a total of €850 with a 2.5% interest per annum. The promissory Notes of €680 and €170, respectively, were provided immediately. The maturity date of these promissory notes to follow the same terms of other convertible loans and is the later of (i) March 31, 2021, or (ii) the end of a subsequent calendar quarter in which the Company receives a written request from the lender for repayment of the unpaid principal and accrued interest due under the Notes.

On April 2, 2020, the Swiss entity, Mymetics SA, received a Federal credit line of Chf 168 (€152) in relation with the Covid-19 pandemic. This credit line applies for five years and is fully guaranteed by the Swiss Confederation via guaranteed organizations. The interest rate is currently at 0 percent until March 31, 2021. The Swiss Confederation has the right to adjust the interest rate to the market rate. The first revision took place as of April 1, 2021 but no modification was applied.

Certain of the secured convertible notes have conversion features that should be bifurcated from the debt and recorded at fair value; however, as of March 31, 2021 and December 31, 2020, the probability of the conversion features being exercised was zero. For this reason, the conversion features are not required to be bifurcated from the debt as the fair value is zero at March 31, 2021 and December 31, 2020.

Note 3. Commitments

The facility lease agreement for Epalinges, Switzerland, is automatically renewed month by month with a notice period of three months. The related rent is paid monthly in the amount of €4 and is considered a short-term lease. The facility lease agreement for Leiden, The Netherlands, runs until March 31, 2022 and can be terminated with a six month notice as of September 30, 2021. The related rent is paid monthly in the amount of €9. The Company does not have any other operating lease for its research and development facilities, corporate headquarter, offices and equipment.

Note 4. Subsequent Events

None

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

The following discussion and analysis of the results of operations and financial condition of Mymetics Corporation for the periods ended March 31, 2021 and 2020 should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2020 and related notes and the description of the Company's business and properties included elsewhere herein.

This report contains forward-looking statements that involve risks and uncertainties. The statements contained in this report are not purely historical but are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. These forward looking statements concern matters that involve risks and uncertainties that could cause actual results to differ materially from those projected in the forward-looking statements. Words such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential," "continue," "probably" or similar words are intended to identify forward looking statements, although not all forward looking statements contain these words.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We are under no duty to update any of the forward-looking statements after the date hereof to conform such statements to actual results or to changes in our expectations.

Readers are urged to carefully review and consider the various disclosures made by us which attempt to advise interested parties of the factors which affect our business, including without limitation disclosures made under the captions "Management Discussion and Analysis of Financial Condition and Results of Operations," "Risk Factors," "Consolidated Financial Statements" and "Notes to Consolidated Financial Statements" included in our annual report on Form 10-K for the year ended December 31, 2020 and, to the extent included therein, our quarterly reports on Form 10-Q filed during fiscal year 2020.

IMPACT OF THE NOVEL CORONAVIRUS

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Company's financial condition, liquidity, and future results of operations.

Management is actively monitoring the global situation on its financial condition, liquidity, operations, scientific collaborations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.

The Company's partner for the oncology immunotherapy project in the Netherlands has decreased their laboratory experiments due to reduced operating hours in those facilities. While the Company considers this disruption to be temporary, continued disruption in this project will lead to delayed advances by the Company of its research and could negatively impact future revenue in fiscal year 2021 and the Company's overall liquidity.

The Company is dependent on its workforce to deliver and advance its research. Developments such as physical distancing and working from home directives will impact the Company's ability to deploy its workforce effectively. While expected to be temporary, prolonged workforce disruptions may negatively impact future revenues in fiscal year 2021 and the Company's overall liquidity.

The Company is dependent on its partners in certain projects, such as the University of Louisiana at Lafayette ("ULL") for the NIH funded project to maintain the agreed timelines and execute their tasks. Developments such as social distancing and shelter-in-place directives and lock-down directives will impact the Company's ability to execute on project plans and research objectives effectively. While expected to be temporary, prolonged disruptions in collaboration projects may negatively impact funding in fiscal year 2021 and the Company's overall liquidity.

Although the Company cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have a material adverse effect on the Company's results of future operations, financial position, and liquidity in fiscal year 2021.

CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT

On March 27, 2020, the U.S. Government enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed into law. The CARES Act includes various income and payroll tax provisions. The Company has analyzed the tax provisions of the CARES Act and determined they have no significant financial impact to the condensed financial statements. The Company has no intention of taking advantage of other benefits but will continue to evaluate the impact on the Company's financial position.

THREE MONTHS ENDED MARCH 31, 2021 AND 2020

For the three months ended March 31, 2021 and 2020, revenue was €134 and €272, of which €131 and €255 was related to the revenue recognized for the work performed under the NIH grant / HIV project and the remaining for a small pre-clinical research project with a US academic institution, for the years 2021 and 2020, respectively.

Costs and expenses decreased to €545 for the three months ended March 31, 2021, from €647 (-15.8%) for the three months ended March 31, 2020. The decrease is mainly due to the lower R&D costs related to the work performed under the NIH grant / HIV project.

Research and development expenses decreased to €254 in the current period from €322 (-21.1%) in the comparative period of 2020, mainly due to €88 of subcontracting services paid during the three-month period ending March 2020 in relation with the NIH grant / HIV project.

General and administrative expenses decreased to €291 in the current period from €325 (-10.5%) in the comparative period of 2020, mainly due to the 2019 preliminary annual audit work incurred remotely during the year due to the pandemic situation.

Other expenses increased to €122 for the three months ended March 31, 2021 from €106 (+15.1%) for the three months ended March 31, 2020, mainly due to the foreign exchange revaluation impact of shareholders' loans based in US\$.

Interest expense increased to €685 for the three months ended March 31, 2021 from €675 for the three months ended March 31, 2020 related to existing loans from third party investors.

The Company reported a net loss of (€1,246), or (€0.00) per share, for the three months ended March 31, 2021, compared to a net loss of (€1,164), or (€0.00) per share, for the three months ended March 31, 2020.

LIQUIDITY AND CAPITAL RESOURCES

We had cash of €738 at March 31, 2021 compared to €1,083 at December 31, 2020.

During 2020, our revenue has mainly been generated through the NIH grant / HIV project. For 2021, new significant revenues are not expected unless and until a major licensing agreement or other commercial arrangement is entered into with respect to our technology or new grant financings are awarded.

As of March 31, 2021, we had an accumulated deficit of approximately €94,266, and had net loss of €1,246 in the three-month period ending on that date. We expect to continue to incur net losses in the future for research, development and activities related to the future licensing of our technologies, and because of the accrual of interest payable on existing loans.

Net cash used from operating activities decreased to €327 for the three-month period ended March 31, 2021, compared to €454 for the same period in 2020, mainly due to the receivable related to the NIH grant / HIV project incurred during the three-month period ending March 31, 2020.

Net cash used from investing activities was €10 during the three months ended March 31, 2021 and €5 during the same period in 2020, mainly due to new IT and laboratory equipment in Leiden.

Net cash provided from financing activities is NIL for the three months ended March 31, 2021 and 2020.

Salaries and related payroll costs represent gross salaries for two executives, our CSO of Mymetics BV and seven employees. Under Executive Employment Agreements with our CEO and two CSOs, we pay our executive officers a combined amount of €65 per month.

Our Swiss subsidiary, Mymetics S.A., has, besides the CEO and CSO, two additional employees on its payroll: Director of Finance and Head of Manufacturing and Quality. Mymetics BV has, besides the full time Chief Scientific Officer, two full-time technicians and one part-time assistant.

We intend to continue to incur additional expenditures during the next nine months for additional research and development of our HIV, Covid-19 vaccines and immunotherapy projects, which we will try to seek through collaborations with pharmaceutical companies or with not-for-profit organizations. These expenditures will relate to the continued research and testing of these prototype vaccines and are included in the monthly cash outflow described above.

In the past, we have financed our research and development activities primarily through debt and equity financings from various parties and through license and collaboration agreements and grant agreements.

We anticipate that our normal operations will require approximately €3,800 additional funding as of December 31, 2021. We will seek to raise the additional capital from equity or debt financings, and grants through donors and potential partnerships with major international pharmaceutical and biotechnology firms. However, there can be no assurance that it will be able to raise additional capital on satisfactory terms, or at all, to finance its operations on the longer term. In the event that we are not able to obtain such additional capital, we will be required to further restrict or even cease our operations.

Monthly fixed and recurring expenses for "Property leases" of €13 represent the monthly lease and maintenance payments to unaffiliated third parties for our offices, of which €4 is related to our executive office located at Route de la Corniche 4, 1066 Epalinges in Switzerland (100 square meters), and €9 related to Bestewil Holding B.V. and its subsidiary Mymetics B.V. operating from a similar biotechnology campus near Leiden in the Netherlands, where they occupy 204 square meters.

Included in professional fees are legal fees paid to outside corporate counsel and audit and review fees paid to our independent accountants, and fees paid for investor relations.

Cumulative interest expense of €29,133 has been accrued on all of the Company's outstanding notes and advances (see detailed table in Note 2 to the financial statements).

RECENT FINANCING ACTIVITIES

During the three months period ending March 31, 2021, our principal source of funds has been promissory notes received in a prior quarter from our two main investors and the revenue generated through the NIH grant / HIV project.

We have filed or are in the process of filing several new grant applications with U.S. and European institutions in relation to our virosome based vaccines.

We anticipate using our current funds and those we receive in the future both to meet our working capital needs and for funding the ongoing vaccines pre-clinical research costs for new virosome vaccine.

Management anticipates that our existing capital resources will be sufficient to fund our cash requirements through the next five months. We have cash presently on hand in conjunction with the collection of receivables, based upon our current levels of expenditures and anticipated needs during this period. For 2021, we will need additional funding through future collaborative arrangements, licensing arrangements, and debt and equity financings under Regulation D and Regulation S under the Securities Act of 1933. We do not know whether additional financing will be available on commercially acceptable terms when needed. These conditions raise substantial doubt about our ability to continue as a going concern.

If management cannot raise funds on acceptable terms when needed, we may not be able to successfully commercialize our technologies, take advantage of future opportunities, or respond to unanticipated requirements. If unable to secure such additional financing when needed, we will have to curtail or suspend all or a portion of our business activities and could be required to cease operations entirely. Further, if new equity securities are issued, our shareholders may experience severe dilution of their ownership percentage.

The extent and timing of our future capital requirements will depend primarily upon the rate of our progress in the research and development of our technologies, our ability to enter into a partnership agreement with a major pharmaceutical company, and the results of our present projects and future clinical trials.

OFF-BALANCE SHEET ARRANGEMENTS

None

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

INTEREST RATE RISK

Fluctuations in interest rates may affect the fair value of financial instruments. An increase in market interest rates may increase interest payments and a decrease in market interest rates may decrease interest payments of such financial instruments. We have no debt obligations which are sensitive to interest rate fluctuations as all our notes payable have fixed interest rates, as specified on the individual loan notes.

ITEM 4. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Under the supervision and with the participation of the Company's management, including its Chief Executive Officer and Chief Financial Officer the Company conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures, as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"), as of the end of the period covered by this report. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer (currently the same person to allow timely decisions regarding required disclosure) concluded as of March 31, 2021, that the Company's disclosure controls and procedures were not effective because of the material weakness described below.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Our internal control over financial reporting includes policies and procedures designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with generally accepted accounting principles.

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of March 31, 2021, based on the criteria established in Internal Control -- Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Our management, with the participation and supervision of our Chief Executive Officer / Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report and determined that our disclosure controls and procedures were not effective due to a material weakness related to insufficient review of financial information, which caused the errors discovered in the Edgarized version of the September 30, 2020 Form 10-Q. These errors included:

- the "Non-convertible notes payable and related accrued interest to related parties" description and the amount as of September 30, 2020 of \$6,512 from our balance.
- the "Consolidated Statements of Changes in Shareholders' Deficit" title and sums of the "Accumulated Other Comprehensive Income" and "TOTAL" columns as of September 30, 2020 from our balance.

Remediation Plan

Management is implementing remedial actions to ensure that the material weakness is remediated such that the existing controls will operate effectively. The remedial actions we are taking, and expect to take, to improve the effectiveness of our controls include (i) developing a disclosure checklist to ensure all relevant and required GAAP disclosures and properly included in the financial statements, and (ii) adding check totals and a financial statement review process to include a detailed, line-by-line, review of the numbers prior to issuance.

Although the material weaknesses noted above continued to exist as of March 31, 2021, management believes that when fully implemented and operational, these measures will appropriately remediate the material weaknesses and strengthen our internal control over financial reporting. Aside from these measures, there have no other changes in our internal control over financial reporting during the quarter ended March 31, 2021 that our certifying officers concluded materially affected or are reasonably likely to materially affect our internal control over financial reporting.

INHERENT LIMITATIONS ON EFFECTIVENESS OF CONTROLS

Our management, Ronald Kempers, who is both CEO and CFO, does not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the company have been detected.

These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Neither we, nor our wholly owned subsidiaries Mymetecs S.A., Bestewil Holding B.V. nor its subsidiary Mymetecs B.V. are presently involved in any litigation incident to our business.

ITEM 1A. RISK FACTORS

Not Applicable

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
32	Section 1350 Certification of Chief Executive Officer and Chief Financial Officer
101.INS	Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MYMETICS CORPORATION

Dated: May 18, 2021

By: /s/ Ronald Kempers
Chief Executive Officer / Chief Financial Officer

CERTIFICATIONS**CHIEF EXECUTIVE OFFICER I, Ronald Kempers, certify that:**

1. I have reviewed this quarterly report on Form 10-Q of Mymetics Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 18, 2021

By: /s/ Ronald Kempers
Chief Executive Officer

CHIEF FINANCIAL OFFICER I, Ronald Kempers, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mymetics Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 18, 2021

By: /s/ Ronald Kempers
Chief Financial Officer
