MYMETICS CORP
Form 10-Q
May 14, 2013

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

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2013

OR

o 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	25-1741849
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

c/o Mymetics S.A.
Biopole
Route de la Corniche, 4
1066 Epalinges (Switzerland)

(Address of principal executive offices)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 011 41 21 653 4535
SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT: NONE
SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
COMMON STOCK, $0.01 PAR VALUE
(Title of Class)

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 x No o

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 x No o

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

Large Accelerated Filer o	Accelerated Filer o
Non-Accelerated Filer o	Smaller Reporting Company x

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

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

Class	Outstanding at May 14, 2013
Common Stock, $0.01 par value	295,318,813

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MYMETICS CORPORATION
(A Development Stage Company)
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(In Thousands of Euros)

	March 31, 2013	December 31, 2012
ASSETS		
Current Assets		
Cash	E177	E 286
Receivable other	48	43
Prepaid expenses	52	52
Total current assets	277	381
Property and equipment, net of accumulated depreciation of E265 at March 31, 2013 and E261 at December 31, 2012	82	28
In-process research and development	2,266	2,266
Goodwill	6,671	6,671
	E9,296	E 9,346
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable	E1,197	E 1,325
Current portion of convertible notes payable to related parties	36,027	34,723
Total current liabilities	37,224	36,048
Acquisition-related contingent consideration	254	6,533
Total liabilities	37,478	42,581
Shareholders' Equity (Deficit)		
Common stock, U.S. $.01 par value; 495,000,000 shares authorized; issued 295,318,813 at March 31, 2013 and at December 31, 2012	2,468	2,468
Preferred stock, U.S. $.01 par value; 5,000,000 shares authorized; none issued or outstanding	--	--
Additional paid-in capital	33,784	33,783
Deficit accumulated during the development stage	(65,113)	(70,168)
Accumulated other comprehensive income	679	682
	(28,182)	(33,235)
	E9,296	E 9,346

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

MYMETICS CORPORATION
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)
(In Thousands of Euros, Except Per Share Data)

	For The Three Months Ended March 31, 2013	For The Three Months Ended March 31, 2012	Accumulated During Development Stage as of March 31, 2013
Revenue			
Sales	--	--	660
Interest	--	--	45
Gain on extinguishment of debt	--	--	774
Gain on sales of equipment	--	--	69
Government grants	--	--	107
	--	--	1,655
Expenses			
Research and development	214	786	26,922
General and administrative	320	368	24,536
Bank fee	1	2	945
Induced conversion cost	--	--	807
Interest	622	529	12,556
Change in the fair value of acquisition-related contingent consideration	(6,279)	794	(3,296)
Goodwill impairment	--	--	209
Depreciation	4	12	810
Amortization of intangibles	--	--	481
Impairment of license contract	--	--	2,213
Directors' fees	5	8	381
Other	54	(32)	174
	(5,059)	2,467	66,738
Loss before income tax provision	5,059	(2,467)	(65,083)
Income tax provision	(4)	--	(30)
Net income (loss)	5,055	(2,467)	(65,113)
Other comprehensive income (loss)			
Foreign currency translation adjustment	(3)	(2)	679
Comprehensive income (loss)	E 5,052	E (2,469)	E (64,434)
Basic earnings per share	E 0.02	E (0.01)	
Diluted earnings per share	E 0.01	E (0.01)	

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

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MYMETICS CORPORATION
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(In Thousands of Euros)

	For The Three Months Ended March 31, 2013	For The Three Months Ended March 31, 2012	Accumulated During Development Stage as of March 31, 2013
Cash Flow from Operating Activities			
Net income (loss)	E 5,055	E (2,467)	E (65,113)
Adjustments to reconcile net income (loss) to net cash used in operating activities			
Change in the fair value of acquisition-related contingent consideration	(6,279)	794	(3,296)
Depreciation	4	12	810
Amortization of intangibles	--	--	481
Impairment of license contract	--	--	2,213
Goodwill impairment	--	--	209
Fees paid in warrants	--	--	223
Gain on sales of equipment	--	--	(69)
Gain on extinguishment of debt	--	--	(774)
Services and fee paid in common stock	--	--	5,403
Stock compensation expense – options	1	15	357
Amortization of debt discount	--	--	1,410
Induced conversion cost	--	--	807
Warrant modification cost	--	--	484
Changes in operating assets and liabilities,			
Receivables	(5)	9	22
Accounts payable	(128)	178	1,778
Other	--	--	(7)
Net cash used in operating activities	(1,352)	(1,459)	(55,060)
Cash Flows from Investing Activities			
Patents and other	--	--	(393)
Proceeds from sale of equipment	--	--	137
Purchase of property and equipment	(58)	--	(339)
Acquisition of subsidiary	--	--	(4,942)
Cash acquired in reverse purchase	--	--	13
Net cash used in investing activities	(58)	--	(5,524)
Cash Flows from Financing Activities			
Proceeds from issuance of common stock	--	--	11,630
Borrowing from shareholders	--	--	972
Increase in notes payable and other short-term advances	1,304	1,698	49,102
Decrease in notes payable and other short-term advances	--	--	(1,490)
Loan fees	--		(130)
Net cash used in financing activities	1,304	1,698	60,084

Effect on foreign exchange rate on cash	(3)	(2)	679
Net change in cash	(109)	237	177
Cash, beginning of period	286	382	--
Cash, end of period	E 177	E 619	E 177
Supplemental Noncash Financing Activity:			
Issuance of shares on conversion of notes payable	E --	E 1,165	
Supplemental Disclosure of Cash Flow Information:			
Cash Paid for Interest	E 63	E --	

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

MYMETICS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2013
(UNAUDITED)

Note 1. The Company and Summary of Significant Accounting Policies

BASIS OF PRESENTATION

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

The accompanying interim period 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 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, 2012.

The accompanying financial statements of the Company are unaudited. However, in the opinion of the Company, the unaudited 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, 2013 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 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. On April 1, 2009 the Company successfully closed its acquisition of Bestewil Holding BV and Mymetics BV (previously Virosome Biologicals BV) and, as a result, has further increased the pipeline of vaccines under development to include (i) Respiratory Syncytial Virus (RSV) which is at the pre-clinical stage (ii) Herpes Simplex which is at the pre-clinical stage, and (iii) intra-nasal influenza which has finished a clinical trial Phase I.

These financial statements have been prepared treating the Company as a development stage company. As of March 31, 2013, the Company is in the initial stages of clinical testing and a commercially viable product is not expected for several more years. As such, the Company has not generated significant revenues. For the purpose of these financial statements, the development stage started May 2, 1990.

These financial statements have also been prepared assuming the Company will continue as a going concern. The Company has experienced significant losses since inception resulting in a deficit accumulated during the development stage of E65,113 at March 31, 2013. Deficits in operating cash flows since inception have been financed through debt and equity funding sources. In order to remain a going concern and continue the Company's research and development activities, management intends to seek additional funding. Further, the Company’s current liabilities exceed its current assets by E36,947 as of March 31, 2013, 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.

PRINCIPLES OF CONSOLIDATION

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

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 operations. 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

Cash deposits are occasionally in excess of insured amounts. Interest of E63 were paid to Norwood Immunology during the three months ended March 31, 2013 related to a convertible note of E2,500. No interest was paid for the three months ended March 31, 2012.

REVENUE RECOGNITION

Revenue related to the sale of products is recognized when all of the following conditions are met: persuasive evidence of an arrangement exists, delivery has occurred, the price is fixed or determinable, and collectability is reasonably assured.

Grant revenue is recognized when the associated costs are incurred.

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, 2013 or 2012. The Company charges 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.

IN-PROCESS RESEARCH AND DEVELOPMENT

In-process research and development (referred to as IPR&D) represents the estimated fair value assigned to research and development projects acquired in a purchased business combination that have not been completed at the date of acquisition and which have no alternative future use. IPR&D assets acquired in a business combination are capitalized as indefinite-lived intangible assets. These assets remain indefinite-lived until the completion or abandonment of the associated research and development efforts. During the periods prior to completion or abandonment, those acquired indefinite-lived assets are not amortized but are tested for impairment annually, or more frequently, if events or changes in circumstances indicate that the asset might be impaired.

GOODWILL

Goodwill, which represents the excess of purchase price over the fair value of net assets acquired, is carried at cost. Goodwill is not amortized; rather, it is subject to a periodic assessment for impairment by applying a fair value based test. Goodwill is assessed for impairment on an annual basis 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 must determine if further testing was necessary. If further testing was necessary, the Company would have performed a two-step impairment test for goodwill. The first step requires the Company to determine the fair value of each reporting unit. To the extent a reporting unit’s carrying amount exceeds its fair value, an indication exists that the reporting unit’s goodwill may be impaired and the Company must perform a second more detailed impairment assessment. The second impairment assessment involves allocating the reporting unit’s fair value to all of its recognized and unrecognized assets and liabilities in order to determine the implied fair value of the reporting unit’s goodwill as of the assessment date. The implied fair value of the reporting unit’s goodwill is then compared to the carrying amount of goodwill to quantify an impairment charge as of the assessment date.

The Company has conducted its impairment testing as of April 1, of 2012 and 2011 of its goodwill recognized in connection to the acquisition of Bestewil. In conclusion of this impairment testing, the carrying amount of the reporting unit was lower than the estimated fair value of the reporting unit. As the fair value of the reporting unit is higher than the carrying amount, Step 2 of the goodwill impairment test did not need to be completed. As of March 31, 2013, management believes there are no indications of impairment.

CONTINGENT CONSIDERATION

The Company accounts for contingent consideration in a purchase business combination in accordance with applicable guidance provided within the business combination rules. As per the amendment dated March 28, 2013, related to the Share Purchase Agreement of Bestewil acquisition, the obligation of the Company to pay additional purchase price consideration upon achievement of certain commercial milestones has been deleted and settled with issuance of shares for a total of $325 upon certain events but no later than March 31, 2014. Despite the fact that this new liability is significant less, it is not dependent on future revenue and will not be paid in cash.

RESEARCH AND DEVELOPMENT

Research and development costs are expensed as incurred.

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, 2013 or at December 31, 2012. The Company's United States tax returns are open to audit for the years ended December 31, 2008 to 2012. The returns for the Luxembourg subsidiary LUXEMBOURG 6543 S.A., are open to audit for the year ended December 31, 2012. The returns for the Swiss subsidiary, Mymetics S.A., are open to audit for the years ended December 31, 2008 to 2012. The returns for the Netherlands subsidiaries, Bestewil B.V. and Mymetics B.V., are open to audit for the year ended December 31, 2012.

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 common period. Diluted earnings per share takes into consideration common shares outstanding (computed under basic earnings per share) and potentially dilutive securities. For the quarter ended March 31, 2012, options, warrants 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, 2013, the basic weighted average number of shares is 295,318,813 and the weighted average number of dilutive shares is 309,234,122. The weighted total potential number of shares issuable of 123,808,700 includes 87,490,712 potential issuable shares related to convertible loans, 32,684,488 potential issuable shares related to warrants, and 3,633,500 potential issuable shares related to outstanding not expired options granted to employees. Only 13,915,309 shares related to convertible loans have been included in the weighted average number of dilutive shares as the effect of the remaining dilutive securities would be anti-dilutive. For the three months ended March 31, 2012, the weighted average number of shares was 286,834,649. For the same period, the total potential number of shares issuable of 145,545,352 includes 89,634,402 potential issuable shares related to convertible loans, 51,218,450 potential issuable shares related to warrants and 4,692,500 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, 2013.

STOCK-BASED COMPENSATION

Compensation cost for all share-based payments is based on the estimated grant-date fair value. The Company amortizes stock compensation cost ratably over the requisite service period.

The issuance of common shares for services is recorded at the quoted price of the shares on the date the shares are issued. No shares were issued to individuals as fee for services rendered in the three months ended March 31, 2013 or in the three months ended March 31, 2012.

Mymetics did not grant any stock options to employees in 2012 or during the three month period ending March 31, 2013.

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, acquisition-related contingent consideration, and notes payable. The carrying value of cash, receivables and accounts payable, approximates their fair value based on the short-term nature of these financial instruments. The carrying value of acquisition-related contingent consideration is equal to fair value since this liability is required to be reported at fair value. Management believes that it is not practicable to estimate the fair value of the notes payable due to the unique nature of these instruments.

CONCENTRATIONS

The Company enters into scientific collaboration agreements with selected partners such as Pevion Biotech Ltd., a Swiss company that granted Mymetics exclusive licenses to use their virosome vaccine delivery technology in conjunction with the Company’s AIDS and malaria preventive vaccines under development. Under this agreement, Pevion Biotech is committed to supply the actual Virosomes and perform their integration with the Company’s antigens, which requires proprietary know-how, at Pevion’s premises. The agreement includes specific mechanisms to mitigate the risk of losing a key component of Mymetics’ vaccines should Pevion become unable to meet its commitment.

RELATED PARTY TRANSACTIONS

The Company's general counsel is a member of the Board of Directors. The Company incurred professional fees to the counsel's law firm totaling E86 and E20 for the period of three months ending March 31, 2013 and 2012, respectively.

COMMITMENTS

As per an agreement signed on December 22, 2008, PX Therapeutics has granted the license rights of the general know-how of Gp41 manufacturing technology to Mymetics for five years. During this period, the Company pays to PX Therapeutics an annual fee of E200 until the expiration date of December 23, 2013.

NEW ACCOUNTING PRONOUNCEMENTS

No new accounting pronouncements are expected to have a material impact on the Company’s consolidated financial statements.

Note 2. Intangible Assets

Intangible assets consisted of in process research and development at March 31, 2013 and December 31, 2012.

Note 3. Acquisition-Related Contingent Consideration

On April 1, 2009 Mymetics and Norwood Immunology Limited (NIL) closed the acquisition of Bestewil Holding B.V. (“Bestewil”) from its parent, NIL, under a Share Purchase Agreement pursuant to which Mymetics agreed to purchase all issued and outstanding shares of capital stock (the “Bestewil Shares”) of Bestewil from its parent, NIL, and all issued and outstanding shares of capital stock of Virosome Biologicals B.V. which were held by Bestewil. Mymetics paid NIL E5,000 (the “Cash Consideration”) raised from bridge financing (the “Bridge Loan”) and issued to NIL a convertible redeemable note (the “Note”) in the principal amount of E2,500 due 36 months after the closing date, bearing interest at 5% per annum, convertible into shares of the Company’s common stock at a conversion rate of $0.50 (“the Conversion Price” since September 2010) and secured by the Company’s pledge of 1/3rd of the Bestewil Shares. The reduction of the Conversion price from $0.80 to $0.50 in September 2010 did not result in an extinguishment and reissuance of the note, nor did it result in a material adjustment in the consolidated financial statements. In addition, Mymetics granted NIL an option to acquire shares of Mymetics common stock equal to the result obtained by dividing $9,609 by the Conversion Price. As part of the Share Purchase Agreement, if Mymetics had issued shares of capital stock in connection with a financing to repay the Bridge Loan that had more favorable financial rights and preferences than the original conversion price or other terms, NIL had the right, at its election, to acquire those shares at the better terms. The advantage of this lower conversion price for the providers of the Bridge Loan has been treated in accordance with ASC Subtopic 470-20-40. The difference in the fair value of the shares issuable based on the terms of the original conversion price and the fair value of the shares actually issued based on the inducement terms is recorded as an expense of E807.

On March 28, 2013, Mymetics agreed with Norwood Immunology Ltd (NIL) to amend the terms and conditions of the E2,500 loan that expired on March 31, 2013. Under the terms of the Amendment, Mymetics agreed to make a series of payments as follows to release it from any obligation to share future revenues from the sale of Mymetics' intranasal influenza vaccine, RSV vaccine and HSV vaccine: (i) by April 30, 2013 E521 consisting of E500 of principal under the Loan Note and E21 of accrued interest for the month of April 2013 on the outstanding principal balance of E2,500 (ii) by May 31, 2013 E517 consisting of E500 of principal under the Loan Note and E17 of accrued interest for the month of May 2013 on the outstanding principal balance of E2,000, (iii) by September 30, 2013 accrued interest of E51 on the outstanding principal balance of E1,500 under the Loan Note and (iv) by March 31, 2014 E1,576 consisting of E1,500 to extinguish the outstanding principal balance of the Loan Note and E76 to extinguish the remaining unpaid accrued interest owed on the outstanding principal balance of the Loan Note.

The following table presents changes to the Company's acquisition-related contingent consideration for the period ending March 31, 2013:

	Fair Value Measurements Using Significant Unobservable Inputs(Level 3) Acquisition-related Contingent Consideration		
	As recorded on December 31,2012	Measurement Adjustment	As adjusted on March 31, 2013
Royalties for RSV	E 3,806	E 3,806	E --
Royalties for HSV	E 2,727	E 2,727	E --
Issuance of shares			E 254
Total Contingent Consideration	6,533	E 6,533	E 254

During the three month period ending March 31, 2013, the fair value of the acquisition-related contingent consideration has been fully adjusted down based on amendment to the Share Purchase Agreement, and settled with issuance of shares for a total of $325 upon certain events but no later than March 31, 2014. Despite the fact that this new liability is significant less, it is not dependent on future revenue and will not be paid in cash.

Note 4. Debt Financing

Certain principal shareholders have granted the Company secured convertible notes (in accordance with the Uniform Commercial Code in the State of Delaware) and short term convertible notes, which have a total carrying value of E33,254 including interest due to date. Interest incurred on these notes since inception has been added to the principal amounts.

On January 16, 2013, Round Enterprises Ltd. and Eardley Holding AG each provided a convertible loan of E240 and E60, respectively, with a 10% interest per annum and a maturity date of June 30, 2013. The conversion price is determined by 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 $20,000.

On March 25, 2013, Round Enterprises Ltd. provided a convertible loan of E400, with a 10% interest per annum and a maturity date of June 30, 2013. This maturity date is automatically prolonged for periods of 3 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 $20,000, or (ii) at three point six eight four US dollar cents (US$ 0.03684) per share of the Company's common stock, and using a fixed exchange rate of $1.2915 per Euro.

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The details of the convertible notes and loans are as follows at March 31, 2013:

Lender Price	1st-Issue Date	Principal Amount	Duration (Note)	Interest Rate	Conversion Price (stated)	Fixed Rate EUR/USD Conversion
Norwood Secured Loan	04/03/2009	E2,500	(5)	10% pa	$None	N/A
Eardley Holding A.G. (1)	06/23/2006	E144	(2)	10% pa	$0.10	N/A
Anglo Irish Bank S.A.(3)	10/21/2007	E500	(2)	10% pa	$0.50	1.4090
Round Enterprises Ltd.	12/10/2007	E1,500	(2)	10% pa	$0.50	1.4429
Round Enterprises Ltd.	01/22/2008	E1,500	(2)	10% pa	$0.50	1.4629
Round Enterprises Ltd.	04/25/2008	E2,000	(2)	10% pa	$0.50	1.5889
Round Enterprises Ltd.	06/30/2008	E1,500	(2)	10% pa	$0.50	1.5380
Round Enterprises Ltd.	11/18/2008	E1,200	(2)	10% pa	$0.50	1.2650
Round Enterprises Ltd.	02/09/2009	E1,500	(2)	10% pa	$0.50	1.2940
Round Enterprises Ltd.	06/15/2009	E5,500	(2,4)	10% pa	$0.80	1.4045
Eardley Holding A.G.	06/15/2009	E100	(2,4)	10% pa	$0.80	1.4300
Von Meyenburg	08/03/2009	E200	(2)	10% pa	$0.80	1.4400
Round Enterprises Ltd.	10/13/2009	E2,000	(2)	5% pa	$0.25	1.4854
Round Enterprises Ltd.	12/18/2009	E2,200	(2)	5% pa	$0.25	1.4338
Round Enterprises Ltd.	08/04/2011	E910	(6,7)	10% pa	None	N/A
Eardley Holding A.G.	08/04/2011	E227	(6,7)	10% pa	None	N/A
Round Enterprises Ltd.	11/08/2011	E400	(7)	10% pa	None	N/A
Eardley Holding A.G.	11/08/2011	E100	(7)	10% pa	None	N/A
Round Enterprises Ltd.	02/10/2012	E1,000	(7)	10% pa	None	N/A
Eardley Holding A.G.	02/14/2012	E200	(7)	10% pa	None	N/A
Round Enterprises Ltd.	04/19/2012	E321	(7)	10% pa	None	N/A
Eardley Holding A.G.	04/19/2012	E81	(7)	10% pa	None	N/A
Round Enterprises Ltd.	05/04/2012	E480	(7)	10% pa	None	N/A
Eardley Holding A.G.	05/04/2012	E120	(7)	10% pa	None	N/A
Round Enterprises Ltd.	09/03/2012	E200	(7)	10% pa	None	N/A
Eardley Holding A.G.	09/03/2012	E50	(7)	10% pa	None	N/A
Round Enterprises Ltd.	11/14/2012	E500	(7)	10% pa	None	N/A
Eardley Holding A.G.	12/06/2012	E125	(7)	10% pa	None	N/A
Round Enterprises Ltd.	01/16/2013	E240	(7)	10% pa	None	N/A
Eardley Holding A.G.	01/16/2013	E60	(7)	10% pa	None	N/A
Round Enterprises Ltd.	03/25/2013	E400	(8)	10% pa	$0.037	1.2915
Total Short Term Principal Amounts		E27,795				
Accrued Interest		E8,232				
TOTAL LOANS AND NOTES		E36,027				

(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 3 months, unless called for repayment.

(3) Renamed Hyposwiss Private Bank Geneve 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) Under the terms of the acquisition of Bestewil BV, as part of the consideration, the Company issued to Norwood Immunology Limited ("NIL") a convertible redeemable note (the "Note") in the principal amount of E2,500 with a maturity date of March 31, 2014 and bearing interest at 10% per annum. The note is secured against 1/3rd of Bestewil common stock. On March 28, 2013, Mymetics agreed with Norwood Immunology Ltd (NIL) to amend the terms and conditions of the E2,500 loan that expired on March 31, 2013. Under the terms of the Amendment, Mymetics agreed to make a series of payments as follows to release it from any obligation to share revenues from the sale of Mymetics' intranasal influenza vaccine, RSV vaccine and HSV vaccine: (i) by April 30, 2013 E521 consisting of E500 of principal under the Loan Note and E21 of accrued interest for the month of April 2013 on the outstanding principal balance of E2,500, (ii) by May 31, 2013 E517 consisting of E500 of principal under the Loan Note and E17 of accrued interest for the month of May 2013 on the outstanding principal balance of E2,000, (iii) by September 30, 2013 accrued interest of E51 on the outstanding principal balance of E1,500 under the Loan Note and (iv) by March 31, 2014 E1,576 consisting of E1,500 to extinguish the outstanding principal balance of the Loan Note and E76 to extinguish the remaining unpaid accrued interest owed on the outstanding principal balance of the Loan Note. Upon payment by Mymetics of E500 of the principal under the Loan Note, the number of shares of Bestewil Holding B.V. pledged by Mymetics is reduced from 33% (6,290 shares) to 26.7% (5,032 shares). Upon payment by Mymetics of E1,000 of principal under the Loan Note the number of shares of Bestewil Holding B.V. pledged by Mymetics is reduced from 33% (6,290 shares) to 20% (3,774 shares). In addition, Mymetics shall issue, within twenty days of receipt of the first tranche of the investment, $325 in shares of the Company's common stock at the lower of (i) the average closing price of the last two months prior to the repayment date or (ii) the lowest conversion price for any Mymetics shareholder loan that has been converted two months prior or two months after such repayment or (iii) Investor Price.

In the event that Mymetics raises financing greater than $20,000 earlier than completing the payment schedule above, it will (i) pay half the remaining unpaid principal and interest in cash, (ii) issue shares of its common stock to Norwood for the remaining half of the unpaid principal and interest at the same price and with the same rights as the shares purchased by the investors in such financing and (iii) issue $325 in shares of Mymetics common stock at the lower of (a) the average closing price of the last two months prior to the repayment date or (b) the lowest conversion price for any Mymetics shareholder loan that has been converted two months prior or two months after such repayment or (c) the new investor price (the "Conversion Price").

If Mymetics raises financing over $5,000 and less than $20,000, Norwood has the option to convert half of the remaining unpaid principal and interest under the Loan Note into cash and half of the remaining unpaid principal and interest under the Loan Note into those shares of Mymetics purchased by the investors and at the price at which the shares are issued to the investors and Norwood will receive $325 in shares of Mymetics common stock at the Conversion Price. In both financings described above, half the shares received by Norwood shall be subject to a six month lock-up and half of the shares shall be subject to a 12 month lock-up.

In the event Mymetics is not able to make any of the above payments to Norwood, the Loan Note will be immediately due and payable and Mymetics will issue $325 in shares of its common stock at the lower of the Conversion Price or the market closing price the day before the default.

(6) The face values of the loans are stated in U.S. dollars at $1,200 and $300, respectively.

(7) This maturity date is automatically prolonged for periods of 3 months, unless called for repayment. The conversion price is determined by 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 $20,000.

(8) This maturity date is automatically prolonged for periods of 3 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 $20,000, or (ii) at three point six eight four US dollar cents (US$ 0.03684) per share of the Company's common stock, and using a fixed exchange rate of $1.2915 per Euro.

Note 5. Equity Financing

The Company relied on its existing high net worth shareholders until now. The Company is in discussions with certain potential investors and lenders to meet the Company's expenses during the next six months and beyond.

Note 6. Subsequent Events

On April 14, 2013, Round Enterprises Ltd and Eardley Holding AG each provided a convertible loan of E600 and E150, respectively, with a 10% interest per annum and a maturity date of June 30, 2013. The conversion price 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 $20,000 or (ii) at three point three eight six US dollar cents (US$ 0.03386) per share of the Company's common stock, and using a fixed exchange rate of $1.3056 per Euro.

On April 15, 2013, Mymetics and Eardley Holding AG agreed to amend the terms and conditions of the convertible loans listed in Note 4 (7). The conversion price 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 $20,000 or (ii) at three point three eight six US dollar cents (US$ 0.03386) per share of the Company's common stock.

On April 30, 2013, Mymetics made a payment of E521 to Norwood Immunology Ltd (NIL) consisting of E500 of principal under the Loan Note and E21 of accrued interest for the month of April 2013 on the outstanding principal balance of E2,500.

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, 2013 and 2012 should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2012 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, 2012 and, to the extent included therein, our quarterly reports on Form 10-Q filed during fiscal year 2012.

THREE MONTHS ENDED MARCH 31, 2013 AND 2012

Revenue was nil for the three months ended March 31, 2013 and 2012.

Costs and expenses decreased to a negative result of (E5,059) for the three months ended March 31, 2013 from E2,467 (305.07%) for the three months ended March 31, 2012, mainly due to the write off of the acquisition-related contingent consideration.

Research and development expenses decreased to E214 in the current period from E786 (-72.77%) in the comparative period of 2012. The decrease of R&D was due to the invoice received from INSERM in 2012 related to a E400 milestone payment which is still accrued and open for payment.

General and administrative expenses decreased to E320 in the three months ended March 31, 2013 from E368 (-13.04%) in the comparative period of 2012. This was mainly due to reduction in payroll incurred in the period ended March 31, 2013.

Interest expense increased to E622 for the three months ended March 31, 2013 from E529 for the three months ended March 31, 2012. This was mainly related to the additional convertible loans received since March 31, 2012.

As per the amendment of the Norwood Immunology ("NIL") contract signed on March 25, 2013, all the existing contingent considerations have been deleted and replaced by the clauses described here below in the "Recent Financing Activities" paragraph. As an effect of this amendment, the existing acquisition-related contingent consideration liability of E6,533 has been written off during the three months ended March 31, 2013. As part of the amendment, the Company shall pay to "NIL" $325 in shares of the Company's common stock at the lower of (i) the average closing price of the last two months prior to the repayment date or (ii) the lowest conversion price for any Mymetics shareholder loan that has been converted two months prior or two months after such repayment or (iii) Investor Price. The cost of the issuance of the related shares are evaluated at E254 and accounted as contingent liability as of March 31, 2013.

The Company reported a net income of E5,055, or (E0.01) dilutive per share, for the three months ended March 31, 2013, compared to a net loss of E2,467, or E0.01 per share, for the three months ended March 31, 2012.

LIQUIDITY AND CAPITAL RESOURCES

We had cash of E177 at March 31, 2013 compared to E619 at March 31, 2012.

We have not generated any material revenues since we commenced our vaccine research and development business in 2001, and we do not anticipate generating any material revenues on a sustained basis unless and until a licensing agreement or other commercial arrangement is entered into with respect to our technology.

As of March 31, 2013, we had an accumulated deficit of approximately E65 million, and had net income of E5,055 in the three month period ending on that date. The net income is principally associated with the write off of the "NIL" contingent liability. We expect to continue to incur expenses in the future for research, development and activities related to the future licensing of our technologies.

Net cash used in operating activities was (E1,352) for the three month period ended March 31, 2013, compared to (E1,459) for the period ended March 31, 2012.

Investing activities used cash of (E58) during the three months ended March 31, 2013, related to the purchase of equipment for our laboratory in Leiden. No cash was used in Investment activities for the comparable period in 2012.

Financing activities provided cash of E1,304 and E1,698 for the three months ended March 31, 2013 and 2012, respectively.

Salaries and related payroll costs represent gross salaries for two executives, our CSO of Mymetics BV and five employees. Under Executive Employment Agreements with our CEO and two CSO's, we pay our executive officers a combined amount of E51 per month.

In addition, our Swiss subsidiary, Mymetics S.A., has two employees on its payroll: Director of Finance and Director of R&D. Mymetics BV has, besides the full time chief Scientific Officer, three full-time assistants.

We intend to continue to incur additional expenditures during the next 12 months for additional research and development of RSV vaccines. These expenditures will relate to the continued testing of its prototype vaccines and are included in the monthly cash outflow described above. In parallel we are seeking partnerships and grant funding for our HIV and Malaria vaccines. Additional funding requirements during the next 12 months are needed to prepare for a Phase I clinical trial for our RSV vaccine.

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

We anticipate that our normal operations will require approximately E3,500 in the year ending December 31, 2013. We will seek to raise the required 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 we will be able to raise additional capital on satisfactory terms, or at all, to finance our operations. 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.

In 2009, a member Scientific Advisory Board (SAB) was created made up of eminent intellectuals from around the world with expertise related to the Company's products as follows:

- Chairman of the Scientific Advisory Board - Dr. Stanley Plotkin, Emeritus Professor Wistar Institute, University of Pennsylvania, consultant to Sanofi Pasteur, developed the rubella vaccine in 1960s; worked extensively on the development and application of other vaccines including polio, rabies, varicella, rotavirus and cytomegalovirus as well as senior roles at the Epidemic Intelligence Service, U.S. Public Health Service; Aventis Pasteur (medical and scientific director); and Sanofi Pasteur (executive advisor).
- Vice Chairman of the Scientific Advisory Board - Dr. Marc Girard, has over 20 years of experience in the HIV-1 research field, past Director of the Merieux Foundation and a consultant to the WHO and former Chairman of EuroVac (European Consortium for HIV vaccine).
- Dr. Ruth Ruprecht, Harvard University, Dana Farber Cancer Institute, Boston USA.
- Dr. George Kemble, Former Senior Vice President of R&D at MedImmune and Head of Research at MedImmune. He is one of the world's authorities on vaccine development and in particular the development of vaccines and therapeutics for RSV.
- Dr. Malegapuru William Makgoba, University of KwaZulu-Natal, Durban, South Africa.
- Dr. Juliana McElrath, University of Washington, Seattle, USA.
- Dr. Odile Puijalon, Pasteur Institute, Paris, France.

Monthly fixed and recurring expenses for "Property leases" of E11 represent the monthly lease and maintenance payments to unaffiliated third parties for our offices, of which E4 is related to our executive office located at Route de la Corniche 4, 1066 Epalinges in Switzerland (100 square meters), and E7 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 100 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 E8,232 has been incurred on all of the Company's outstanding notes and advances (see detailed table in Note 4 to the financial statements).

RECENT FINANCING ACTIVITIES

During the three month period ending March 31, 2013, our principal source of funds has been shareholder loans.

On April 19, 2012, Mymetics agreed with Norwood Immunology Ltd. (NIL) to amend the terms and conditions of the E2,500 loan that expired on April 1, 2012. The amended agreement resulted in the payment E402 covering all the accrued interest due to NIL on April 20, 2012 and a delay of the repayment of the E2,500 loan until September 30, 2012, with a 5% interest per annum starting from April 20, 2012. The repayment of the loan will be half in shares and half in cash and is contingent on an investment in the Company of not less than $20,000 by new investors. The conversion price is determined by reducing by 10% the price per share of the Company's common stock paid by the investors in connection with such an investment. In the event Mymetics is not able to close the investment of not less than $20,000 on or before September 30, 2012, the terms of the loan will revert to the original terms and the loan and accrued interest becomes immediately payable as the loan would be in default. The deadline for closing such an investment was extended to March 31, 2013 and the interest rate of the loan has increased from 5% to 10% effective November 1, 2012.

On March 28, 2013, Mymetics agreed with "NIL" to amend the terms and conditions of the E2,500 loan that expired on March 31, 2013. Under the terms of the Amendment, Mymetics agreed to make a series of payments as follows to release it from any obligation to share revenues from the sale of Mymetics' intranasal influenza vaccine, RSV vaccine and HSV vaccine: (i) by April 30, 2013 E521 consisting of E500 of principal under the Loan Note and E21 of accrued interest for the month of April 2013 on the outstanding principal balance of E2,500, (ii) by May 31, 2013 E517 consisting of E500 of principal under the Loan Note and E17 of accrued interest for the month of May 2013 on the outstanding principal balance of E2,000, (iii) by September 30, 2013 accrued interest of E51 on the outstanding principal balance of E1,500 under the Loan Note and (iv) by March 31, 2014 E1,576 consisting of E1,500 to extinguish the outstanding principal balance of the Loan Note and E76 to extinguish the remaining unpaid accrued interest owed on the outstanding principal balance of the Loan Note. Upon payment by Mymetics of E500 of the principal under the Loan Note, the number of shares of Bestewil Holding B.V. pledged by Mymetics is reduced from 33% (6,290 shares) to 26.7% (5,032 shares). Upon payment by Mymetics of E1,000 of principal under the Loan Note the number of shares of Bestewil Holding B.V. pledged by Mymetics is reduced from 33% (6,290 shares) to 20% (3,774 shares). In addition, Mymetics agreed to issue, within twenty days of receipt of the first tranche of the investment, $325 in shares of the Company’s common stock at the lower of (i) the average closing price of the last two months prior to the repayment date or (ii) the lowest conversion price for any Mymetics shareholder loan that has been converted two months prior or two months after such repayment or (iii) Investor Price.

In the event that Mymetics raises financing greater than $20,000 earlier than completing the payment schedule above, it will (i) pay half the remaining unpaid principal and interest in cash, (ii) issue shares of its common stock to “NIL” for the remaining half of the unpaid principal and interest at the same price and with the same rights as the shares purchased by the investors in such financing and (iii) issue $325 in shares of Mymetics common stock at the lower of (a) the average closing price of the last two months prior to the repayment date or (b) the lowest conversion price for any Mymetics shareholder loan that has been converted two months prior or two months after such repayment or (c) the new investor price (the "Conversion Price"). If Mymetics raises financing over $5,000 and less than $20,000, “NIL” has the option to convert half of the remaining unpaid principal and interest under the Loan Note into cash and half of the remaining unpaid principal and interest under the Loan Note into those shares of Mymetics purchased by the investors and at the price at which the shares are issued to the investors and “NIL” will receive $325 in shares of Mymetics common stock at the Conversion Price. In both financings described above, half the shares received by “NIL” shall be subject to a six month lock-up and half of the shares shall be subject to a 12 month lock-up. In the event Mymetics is not able to make any of the above payments to “NIL”, the Loan Note will be immediately due and payable and Mymetics will issue $325 in shares of its common stock at the lower of the Conversion Price or the market closing price the day before the default.

On January 16, 2013, Round Enterprises Ltd. and Eardley Holding AG each provided a convertible loan of E240 and E60, respectively, with a 10% interest per annum and a maturity date of June 30, 2013. The conversion price is determined by 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 $20,000.

On March 25, 2013, Round Enterprises Ltd. provided a convertible loan of E400, with a 10% interest per annum and a maturity date of June 30, 2013. 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 $20,000, or (ii) at three point six eight four US dollar cents (US$ 0.03684) per share of the Company’s common stock, and using a fixed exchange rate of $1.2915 per Euro.

We have filed or are in the process of filing several new grant applications with U.S. Institutions in relation to our malaria 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 research costs associated with our gp41 testing. Provided we can obtain sufficient financing resources, we expect to continue the development for RSV, malaria and HIV vaccine in 2013. In accordance with our past strategy, we intend to subcontract such work to "best of class" research teams unless institutions such as the US National Institutes of Health (NIH) decide to conduct such trials at their own expense, which they presently do.

We do not anticipate that our existing capital resources will be sufficient to fund our cash requirements through the next six months. We do not have enough cash presently on hand, based upon our current levels of expenditures and anticipated needs during this period, and we will need additional proceeds from additional equity investments such as private placements 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.

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 one or more licensing or partnership agreements with pharmaceutical companies, and the results of future clinical trials.

To date we have generated no material revenues from our business operations. We are unable to predict when or if we will be able to generate revenues from licensing our technology or the amounts expected from such activities. These revenue streams may be generated by us or in conjunction with collaborative partners or third party licensing arrangements, and may include provisions for one-time, lump sum payments in addition to ongoing royalty payments or other revenue sharing arrangements. However, we presently have no commitments for any such payments.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk from changes in interest rates which could affect our financial condition and results of operations. We have not entered into derivative contracts for our own account to hedge against such 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

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, as appropriate, to allow timely decisions regarding required disclosure. Our management, with the participation and supervision of our Chief Executive Officer and 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 effective.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

No changes of internal control over financial reporting were made in the three months ended March 31, 2013.

INHERENT LIMITATIONS ON EFFECTIVENESS OF CONTROLS

Our management, Ronald Kempers, who is now 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 6543 Luxembourg S.A., Mymetics S.A., Bestewil Holding B.V. nor its subsidiary Mymetics 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 14, 2013	By:	/s/ Ronald Kempers Chief Executive Officer / Chief Financial Officer

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