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

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2022

Commission File Number: 001-38283

InflaRx N.V.

(Translation of registrant's name into English)

Winzerlaer Str. 2
07745 Jena, Germany
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☐ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

EXPLANATORY NOTE

Exhibits 99.1, 99.2 and 99.3 to this Report on Form 6-K shall be deemed to be incorporated by reference into (i) the registration statement on Form S-8 (File No. 333-221656) and (ii) the registration statement on Form F-3 (File No. 333-239759) of InflaRx N.V. and to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

Exhibit 99.4 to this Report on Form 6-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

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.

INFLARX N.V.

Date: November 9, 2022

By: /s/ Niels Riedemann
Name: Niels Riedemann
Title: Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	InflaRx N.V. Unaudited Condensed Consolidated Financial Statements as of and for the Three and Nine Months Ended September 30, 2022
99.2	InflaRx N.V. Management's Discussion and Analysis of Financial Condition and Results of Operations
99.3	InflaRx N.V. Material Dutch Tax Considerations
99.4	InflaRx N.V. Press Release dated November 9, 2022

Exhibit 99.1

INFLARX N.V.

UNAUDITED CONDENSED CONSOLIDATED

FINANCIAL STATEMENTS – SEPTEMBER 30, 2022

These unaudited condensed financial statements are consolidated financial statements for the group consisting of InflaRx N.V. and its wholly-owned subsidiaries InflaRx GmbH, Jena, Germany, and InflaRx Pharmaceutical Inc., Ann Arbor, Michigan, United States (together, the "Group"). The financial statements are presented in Euro (€).

InflaRx N.V. is a company limited by shares, incorporated and domiciled in Amsterdam, The Netherlands.
Its registered office and principal place of business is in Germany, Jena, Winzerlaer Str. 2.

INDEX TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022

Unaudited Condensed Consolidated Financial Statements

InflaRx N.V. and subsidiaries

Unaudited Condensed Consolidated Statements of Operations and Comprehensive Loss
for the three and nine months ended September 30, 2022 and 2021

in €, except for share data)	Note	For the three months ended September 30, 2022 unaudited	For the three months ended September 30, 2021 (unaudited)	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Operating Expenses					
Research and development expenses		(7,537,350)	(9,359,850)	(29,190,231)	(25,566,005)
General and administrative expenses		(3,087,285)	(3,395,606)	(11,821,694)	(9,115,783)
Total Operating Expenses		(10,624,636)	(12,755,456)	(41,011,925)	(34,681,788)
Other income	2	2,030,406	22,850	16,473,540	43,529
Other expenses		—	—	(844)	(844)
Operating Result		(8,594,230)	(12,732,606)	(24,539,229)	(34,639,103)
Finance income	3	199,758	27,380	310,121	85,964
Finance expenses	3	(6,845)	(9,527)	(39,376)	(16,261)
Foreign exchange result	3	882,370	715,799	3,173,883	1,621,165
Other financial result	3	(402,724)	(56,000)	(363,724)	(13,000)
Income Taxes		—	—	—	—
Loss for the Period		(7,921,671)	(12,054,955)	(21,458,325)	(32,961,235)
Share Information					
Weighted average number of shares outstanding		44,203,763	44,186,279	44,203,763	40,740,353
Loss per share (basic/diluted)		(0.18)	(0.27)	(0.49)	(0.81)
Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign currency		4,317,134	2,536,278	10,035,949	4,613,675
Total Comprehensive Loss		(3,604,538)	(9,518,677)	(11,422,376)	(28,347,560)

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

InflaRx N.V. and subsidiaries

Unaudited Condensed Consolidated Statements of Financial Position as of September 30, 2022 and December 31, 2021

(in €)	Note	September 30, 2022 (unaudited)	December 31, 2021
ASSETS			
Non-current assets			
Property and equipment		218,148	274,373
Right-of-use assets		1,414,504	1,408,078
Intangible assets		162,963	235,216
Other assets	4	350,570	336,566
Financial assets	5	237,702	27,206,990
Total non-current assets		2,383,887	29,461,224
Current assets			
Current other assets	4	7,574,507	10,983,458
Current tax assets		1,589,924	1,282,177
Financial assets from government grants	5	5,954,754	—
Other financial assets	5	75,636,548	57,162,266
Cash and cash equivalents	6	17,978,003	26,249,995
Total current assets		108,733,737	95,677,896
TOTAL ASSETS		111,117,624	125,139,120
EQUITY AND LIABILITIES			
Equity			
Issued capital	7	5,304,452	5,304,452
Share premium	7	280,310,744	280,310,744
Other capital reserves		36,172,229	30,591,209
Accumulated deficit		(235,434,004)	(213,975,679)
Other components of equity		13,086,220	3,050,270
Total equity		99,439,640	105,280,996
Non-current liabilities			
Lease liabilities	5	1,080,005	1,066,354
Other liabilities		39,879	35,019
Total non-current liabilities		1,119,884	1,101,373
Current liabilities			
Trade and other payables	5	7,438,427	8,574,244
Liabilities from government grants	5	1,450,585	8,300,000
Lease liabilities	5	374,533	366,171
Employee benefits		1,151,288	1,378,130
Other liabilities		143,266	138,206
Total current liabilities		10,558,100	18,756,751
Total Liabilities		11,677,984	19,858,124
TOTAL EQUITY AND LIABILITIES		111,117,624	125,139,120

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

InflaRx N.V. and subsidiaries

Unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity for the nine months ended September 30, 2022 and 2021

(in €, except for share data)	Note	Shares outstanding	Issued capital	Share premium	Other capital reserves	Accumulated deficit	Other components of equity	Total equity
Balance as of January 1, 2022		44,203,763	5,304,452	280,310,744	30,591,209	(213,975,679)	3,050,271	105,280,996
Loss for the period		—	—	—	—	(21,458,325)	—	(21,458,325)
Exchange differences on translation of foreign currency		—	—	—	—	—	10,035,949	10,035,949
Total comprehensive loss		—	—	—	—	(21,458,325)	10,035,949	(11,422,376)
Equity-settled share-based payments	8	—	—	—	5,581,021	—	—	5,581,021
Balance as of September 30, 2022*		44,203,763	5,304,452	280,310,744	36,172,229	(235,434,004)	13,086,220	99,439,640
Balance as of January 1, 2021		28,228,415	3,387,410	220,289,876	26,259,004	(168,345,620)	(3,726,790)	77,863,880
Loss for the period		—	—	—	—	(32,961,235)	—	(32,961,235)
Exchange differences on translation of foreign currency		—	—	—	—	—	4,613,675	4,613,675
Total comprehensive loss		—	—	—	—	(32,961,235)	4,613,675	(28,347,560)
Issuance of common shares and warrants		15,610,022	1,873,203	63,269,346	—	—	—	65,142,549
Transaction costs		—	—	(4,219,222)	—	—	—	(4,219,222)
Equity-settled share-based payments	8	—	—	—	3,823,592	—	—	3,823,592
Share options exercised	8	347,842	41,741	921,994	—	—	—	963,735
Balance as of September 30, 2021*		44,186,279	5,302,354	280,261,994	30,082,596	(201,306,855)	886,884	115,226,973

*unaudited

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

InflaRx N.V. and subsidiaries

Unaudited Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2022 and 2021

(in €)	Note	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Operating activities			
Loss for the period		(21,458,325)	(32,961,235)
Adjustments for:			
Depreciation & amortization of property and equipment, right-of-use assets and intangible assets		448,323	502,605
Net finance income		(3,080,904)	(1,677,868)
Share-based payment expense	7	5,581,021	3,823,592
Net foreign exchange differences		189,088	(3,185)
Changes in:			
Financial assets from government grants	5	(5,954,754)	-
Other assets		3,087,177	(1,159,960)
Employee benefits		(221,982)	(438,436)
Other liabilities		5,061	12,130
Liabilities from government grants	5	(6,849,415)	-
Trade and other payables		(1,135,817)	3,259,223
Interest received		903,647	443,531
Interest paid		(38,978)	(15,072)
Net cash used in operating activities Investing activities		(28,525,857)	(28,214,674)
Purchase of intangible assets, property and equipment		(17,908)	(21,691)
Purchase of current financial assets		(47,031,216)	(40,512,715)
Proceeds from the maturity of financial assets		64,600,049	48,250,724
Net cash from investing activities		17,550,925	7,716,318
Financing activities			
Proceeds from issuance of common shares	6	—	65,142,549
Transaction costs from issuance of common shares	6	—	(4,219,222)
Proceeds from exercise of share options	7	—	963,735
Repayment of lease liabilities		(273,092)	(271,608)
Net cash from (used in) financing activities		(273,092)	61,615,454
Net decrease/increase in cash and cash equivalents		(11,248,024)	41,117,098
Effect of exchange rate changes on cash and cash equivalents		2,976,033	2,881,645
Cash and cash equivalents at beginning of period		26,249,995	25,968,681
Cash and cash equivalents at end of period	5	17,978,003	69,967,424

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

InflaRx N.V. and subsidiaries

Notes to the Unaudited Condensed Consolidated Financial Statements

1. Summary of significant accounting policies and other disclosures

(a) Reporting entity and Group's structure

InflaRx N.V. (the "Company" or "InflaRx") is a Dutch public company with limited liability (naamloze vennootschap) with its corporate seat in Amsterdam, The Netherlands, and is registered in the Commercial Register of The Netherlands Chamber of Commerce Business Register under CCI number 68904312. The Company's registered office is at Winzerlaer Straße 2 in 07745 Jena, Germany. Since November 10, 2017, InflaRx N.V.'s common shares are listed on the NASDAQ Global Select Market under the symbol IFRX.

InflaRx is a clinical-stage biopharmaceutical Group focused on applying its proprietary anti-C5a and C5aR technologies to discover, develop and manufacture first-in-class, potent and specific inhibitors of the complement activation factor known as C5a and its receptor known as C5aR.

These consolidated financial statements of InflaRx comprise the Company and its wholly-owned subsidiaries InflaRx GmbH, Jena, Germany and InflaRx Pharmaceutical Inc., Ann Arbor, Michigan, United States (together referred to as "the Group").

InflaRx GmbH is a clinical-stage biopharmaceutical company founded in 2008. In 2017, InflaRx N.V. became the sole shareholder of InflaRx GmbH through the contribution of the subsidiary's shares to InflaRx N.V. by its existing shareholders in exchange of new shares issued by InflaRx N.V.

(b) Basis of preparation

These interim condensed consolidated financial statements for the three- and nine-month reporting periods ended September 30, 2022 and 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting. These condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements. Accordingly, this report is to be read in conjunction with the financial statements in the Company's annual report for the year ended December 31, 2021 on Form 20-F.

The interim condensed consolidated financial statements were authorized for issue by the Board of Directors on November 8, 2022.

The financial statements are presented in Euro (€). Euro is the functional currency of InflaRx GmbH. The functional currency of InflaRx N.V. and InflaRx Pharmaceutical Inc. is U.S. Dollars. All financial information presented in Euro has been rounded. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them or may deviate from other tables.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2021, except for the adoption of new standards effective as of January 1, 2022 as set out below. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following amendments have been adopted effective January 1, 2022 and do not have a material impact on the consolidated financial statements of the Group:

- Reference to the Conceptual Framework – Amendments to IFRS 3
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
- AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test

The following standards issued will be adopted in a future period and the potential impact, if any, they will have on the Group's consolidated financial statements is being assessed:

- IFRS 17 Insurance Contracts
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Noncurrent and Classification of Liabilities as Current or Non-current
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

(c) Significant events of the quarter and changes in circumstances

Russian-Ukraine Conflict

The conflict between Russia and Ukraine has resulted, and is expected to further result, in significant disruption, instability and volatility in global markets, as well as higher energy and other commodity prices. Since the Company is not currently conducting any business or receiving any services from vendors located in Russia or Ukraine, it does not expect that the ongoing war will have a direct impact on its operations in the near term. However, the Company may be affected by price increases or certain fiscal policy changes in Germany, where the Company is headquartered, such as new tax legislation, economic sanctions and comparable measures, although at this point, it does not foresee any such macroeconomic changes that are expected to have a direct impact on its business operations.

COVID-19 Pandemic

The COVID-19 pandemic continues to impact the Company's operations as many governments continue to maintain measures to slow the spread of the outbreak through quarantines, travel restrictions, closure of borders and requiring maintenance of social distancing measures. However, during the first nine months of 2022, governments have lifted certain COVID-19 pandemic-related restrictions, which has continued to decrease the impact of the COVID-19 pandemic on the Company's operations. In addition, during the first nine months of 2022, the Company has continued to use a hybrid working model that supports a blend of in-office and remote employees, depending on their role and location. Further, the Company's service providers have continued to operate at regular levels and the Company has continued to recruit new patients and locate new clinical trial sites. Business travel, however, has been significantly reduced and widely replaced by other means of communication (e.g., through video-conferencing).

Development programs

On July 7, 2022 the Company announced that the U.S. Food and Drug Administration (FDA) granted a Fast Track designation to the development of its first-in-class anti-C5a monoclonal antibody vilobelimab for the treatment of ulcerative pyoderma gangrenosum (PG). The Company had submitted a request for Fast Track designation to the FDA on the positive outcome data in PG from its Phase IIa open-label dose-escalation study. The Company had previously announced that vilobelimab was granted Orphan Drug designation for the treatment of PG by both the FDA in the U.S. and the European Medicines Agency (EMA) in Europe and that the Company had held a productive End-of-Phase II meeting with the Division of Dermatology with the FDA related to its Phase III development plans in PG.

On September 8, 2022, the Company announced that the previously reported results from its Phase III trial of vilobelimab to treat critically ill, invasively mechanically ventilated COVID-19 patients have been published in the peer-reviewed journal, The Lancet Respiratory Medicine. The article includes a description of the results from the Phase III, multicenter, randomized, double-blind, placebo-controlled (PANAMO) study, as well as an in-depth statistical analysis confirming the robustness of the observed clinical survival benefit in the study.

On September 29, 2022, the Company announced that it submitted a request for Emergency Use Authorization (EUA) to the FDA for vilobelimab for the treatment of critically ill COVID-19 patients following encouraging interactions with the FDA at a previously held Type B meeting. Additionally, it announced that the FDA has granted the Company Fast Track designation for vilobelimab for the treatment of critically ill, intubated, mechanically ventilated COVID-19 patients.

Management changes

In August 2022, the Company announced the departure of Dr. Korinna Pilz, its Chief Clinical Development Officer who left the Company for personal reasons. The Company subsequently signed a separation agreement with Dr. Pilz, in which they mutually agreed that Dr. Pilz would continue providing her services until October 28, 2022. After October 28, 2022, Dr. Pilz may continue to advise the Company on specific matters on an as-needed basis.

2. Other income

	For the three months ended September 30,		For the nine months ended September 30,	
(in €)	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Other income from government grants	2,019,684	—	16,435,051	—
Further other incomes	10,722	22,850	38,489	43,529
Total	2,030,406	22,850	16,473,540	43,529

Other income for the nine months ended September 30, 2022 was €16.5 million, which is primarily attributable to income recognized from grant payments received from the German federal government for the development of vilobelimab in severe COVID-19 patients, including expenses related to clinical development and manufacturing process development,

A portion of the other income was attributable to the recognition of €7.1 million, which was initially deferred in Q4 2021 as a liability, because prior to Q2 2022, the Company did not have reasonable assurance as to whether all grant conditions were fulfilled. In addition, the reimbursable portion of costs incurred under the government grant during the nine months ended September 30, 2022, in the amount of €9.3 million, were also recognized as other income.

3. Net financial result

The net financial result is comprised of the following items for the three and nine months ended September 30:

(in €)	For the three months ended September 30, 2022 (unaudited)	For the three months ended September 30, 2021 (unaudited)	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Financial income				
Interest income	199,758	27,380	310,121	85,964
Financial expenses				
Interest expenses	(878)	(4,305)	(22,980)	(7,190)
Interest on lease liabilities	(5,967)	(5,222)	(16,396)	(9,071)
Total	192,913	17,853	270,745	69,703

Interest income results from marketable securities and short-term deposits in U.S. Dollars held by the Company and its subsidiaries.

(in €)	For the three months ended September 30, 2022 (unaudited)	For the three months ended September 30, 2021 (unaudited)	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Foreign exchange result				
Foreign exchange income	1,634,121	910,411	5,691,750	5,002,650
Foreign exchange expense	(751,751)	(194,612)	(2,517,867)	(3,381,485)
Total	882,370	715,799	3,173,883	1,621,165

Foreign exchange income and expense is mainly derived from the translation of the U.S. Dollar cash, cash equivalents and securities held by the Company and its subsidiaries.

(in €)	For the three months ended September 30, 2022 (unaudited)	For the three months ended September 30, 2021 (unaudited)	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Other financial result	(402,724)	(56,000)	(363,724)	(13,000)

Other financial result is due to the expected credit loss allowance, which is deducted from the Company's current and non-current financial assets. The change is attributed to the current volatility in the capital markets resulting in an increase to the credit default swap spread. This input impacts the valuation of the Company's securities.

Net financial result increased by €1.4 million to €3.1 million for the nine months ended September 30, 2022, from €1.7 million for the nine months ended September 30, 2021. This increase is mainly attributable to the strengthening of the USD to EUR during 2022.

4. Other assets

(in €)	As of September 30, 2022 (unaudited)	As of December 31, 2021
Non-current other assets		
Prepaid expense	350,570	336,566
Total	350,570	336,566
Current other assets		
Prepayments on research & development projects	6,793,444	10,649,174
Current tax assets	1,589,924	1,282,177
Prepaid expense	781,062	334,284
Total	9,164,431	12,265,635

Prepaid expense mainly consisted of prepaid insurance expense.

As of September 30, 2022, prepayments on research & development (R&D) projects amounted to €6.8 million compared to €10.6 million as of December 31, 2021, and consisted of prepayments on clinical and R&D material production contracts.

5. Financial assets and financial liabilities

Set out below is an overview of financial assets and liabilities, other than cash and cash equivalents, held by the Group as of September 30, 2022 and December 31, 2021:

(in €)	As of September 30, 2022 (unaudited)	As of December 31, 2021
Financial assets at amortized cost		
Non-current financial assets	237,702	27,206,990
Financial assets from government grants	5,954,754	—
Other current financial assets	75,636,548	57,162,266
Financial liabilities at amortized cost		
Liabilities from government grants	1,450,585	8,300,000
Trade and other payables	7,438,427	8,574,244
Interest bearing loans and borrowings		
Non-current lease liabilities	1,080,005	1,066,354
Current lease liabilities	374,533	366,171

As of September 30, 2022, financial assets from government grants amount to €6.0 million. These €6.0 million are claims for eligible costs incurred as of Q3 2022, which the Company expects to request for payment in future periods (also see Note 2).

As of September 30, 2022, the fair value of current and non-current financial assets (primarily quoted debt securities) amounted to €80.7 million (Level 1). The Group's debt instruments at amortized cost consist solely of quoted securities that are graded highly by credit rating agencies such as S&P Global and, therefore, are considered low credit risk investments.

Liabilities from government grants partly comprise funds received for advance payments to third parties. If goods or services from such third parties have not been received, corresponding amounts are not recognized as other income. The Company's right to retain these funds is contingent on meeting all grant conditions.

6. Cash and cash equivalents

(in €)	As of September 30, 2022 (unaudited)	As of December 31, 2021
Short-term deposits		
Deposits held in U.S Dollars	3,744	12,584,892
Total	3,744	12,584,892
Cash at banks		
Cash held in U.S. Dollars	15,169,816	7,612,467
Cash held in Euro	2,804,443	6,052,636
Total	17,974,259	13,665,103
Total cash and cash equivalents	17,978,003	26,249,995

7. Equity

On July 8, 2020, the Company filed a Form F-3 (Registration Statement) with the U.S. Securities and Exchange Commission (SEC) with respect to the offer and sale of securities of the Company. The Company also filed a prospectus supplement (Prospectus Supplement) with the SEC relating to an at-the-market program providing for the sale of up to $50.0 million of its common shares over time pursuant to a Sales Agreement with SVB Securities LLC (formally known as SVB Leerink LLC). As of September 30, 2022, the remaining value authorized for sale under the Sales Agreement amounts to $35.2 million.

On February 25, 2021, the Company sold an aggregate of 15,000,000 common shares through a public offering. The common shares were sold at a price of $5.00 per share and have a nominal value of €0.12 per share. For each common share purchased, an investor also received a warrant to purchase a common share at an exercise price of $5.80. The shares and warrants were issued and the transaction closed on March 1, 2021 with gross offering proceeds to the Group from this offering being $75.0 million (€62.2 million), before deducting $4.5 million (€3.7 million) in underwriting discounts and other offering expenses of $0.4 million (€0.3 million). The warrants were exercisable immediately and expired on March 1, 2022. No warrants were exercised.

8. Share-based payments

(d) Equity settled share-based payment arrangements

During its historical financing rounds prior to 2016, InflaRx GmbH granted stock options under the 2012 Stock Option Plan. Those InflaRx GmbH options were converted into options for common shares of InflaRx N.V. in November 2017:

Number of share options under the 2012 Plan	2022	2021
Outstanding as of January 1,	148,433	148,433
Exercised during the nine months ended September 30	—	—
Outstanding as of September 30,	148,433	148,433
thereof vested	148,433	148,433

Under the terms and conditions of the Share Option Plan 2016, InflaRx GmbH granted rights to subscribe for InflaRx GmbH's common shares to directors, senior management and key employees. Those InflaRx GmbH options were converted into options for common shares of InflaRx N.V. in November 2017:

Number of share options under the 2016 Plan	2022	2021
Outstanding as of January 1,	888,632	1,094,852
Exercised during the nine months ended September 30	—	(202,020)
Outstanding as of September 30,	888,632	892,832
thereof vested	888,632	892,832

In conjunction with the closing of its initial public offering, InflaRx N.V. established a new incentive plan, the 2017 Long-Term Incentive Plan (LTIP). The initial maximum number of options to common shares available for issuance pursuant to the LTIP amounted to 2,341,097 common shares.

At the annual general meeting on July 16, 2020, the Company's shareholders approved an amendment to the LTIP with effect from January 1, 2021:

- increasing the maximum annual number of options for common shares in the Company's capital available for issuance under the LTIP, starting on January 1, 2021, to 4% (from 3%) of the Company's outstanding common shares (determined as of December 31 of the immediately preceding year); and

- removing certain restrictions from the LTIP, which will allow the Board of Directors and the committee administering the LTIP to (i) lower the exercise price per share of any options and/or share appreciation rights issued under the LTIP or take any other action treated as a 'repricing' of an award and (ii) cancel any option and/or share appreciation rights in exchange for cash or another award granted under the LTIP, in either case, without prior approval of the Company's shareholders.

Number of share options under the LTIP	2022	2021
Outstanding as of January 1,	3,170,046	2,146,478
Granted during the nine months ended September 30	1,561,666	1,219,074
Exercised during the nine months ended September 30	—	(145,822)
Forfeited during the nine months ended September 30	(136,259)	(31,400)
Outstanding as of September 30,	4,595,453	3,188,330
thereof vested	3,762,203	2,173,210

On April 13, 2022, following the significant and persistent decrease of the stock price of the Company's common shares during the first half year 2022 and especially after March 31, 2022, the Board of Directors assessed its impact on the value of the options to purchase common shares in the Company's capital awarded under the LTIP and concluded that, due to the extraordinary situation and in order to ensure that the options continue to be an appropriate performance incentive for the Company's management, employees and directors, the exercise price of all outstanding and unexercised options held by active employees or directors of the Company or its affiliates would be adjusted to $1.86 per share.

The repricing decision on April 13, 2022 affected the 2016 Plan and the LTIP 888,632 share options from the 2016 Plan and 4,544,248 share options from the LTIP were affected. The valuation of past grants with the new exercise price of $1.86 resulted in incremental fair values of the outstanding options (i.e., additional compensation expense had to be recognized).

The number of share options granted during the nine months ended September 30, 2022 under the LTIP was as follows:

Share options granted 2022	Number	Fair value per option	FX rate as of repricing date	Fair value per option	Share price at repricing date / Exercise price	Expected volatility	Expected life (midpoint based)	Risk-free rate (interpolated, U.S. sovereign strips curve)
January 12	1,516,666	$ 3.66	0.9008	€ 3.30	$ 4.13	1.35	5.31	1,57%
January 12	45,000	$ 3.68	0.9008	€ 3.32	$ 4.13	1.35	5.50	1.59%
	1,561,666							

The number of share options granted during the nine months ended September 30, 2022 under the LTIP, considering the repricing decision on April 13, 2022 was as follows:

Share options granted 2022	Number	Fair value per option	FX rate as of repricing date	Fair value per option	Share price at repricing date / Exercise price	Expected volatility	Expected life (midpoint based)	Risk-free rate (interpolated, U.S. sovereign strips curve)
January 12	1,516,666	$ 1.61	0.9237	€ 1.49	$ 1.86	1.35	4.69	2.6%
January 12	45,000	$ 1.59	0.9237	€ 1.47	$ 1.86	1.35	4.50	2.6%
	1,561,666							

Of the 1,561,666 options granted in the nine months ended September 30, 2022, 1,362,500 were granted to members of the Executive Management or Board of Directors.

Expected dividends are nil for all share options listed above.

(e) Share-based payment expense recognized

For the nine months ended September 30, 2022, the Company recognized €5,581 thousand of share-based payment expense, which included an expense of €701 thousand for the valuation of past grants with the new exercise price as a result of the repricing of options in April 2022.

9. Protective foundation

According to the articles of association of the Company, up to 110,000,000 common shares and up to 110,000,000 preferred shares with a nominal value of €0.12 per share are authorized to be issued. All shares are registered shares. No share certificates shall be issued.

In order to deter acquisition bids, the Company`s general meeting of shareholders approved the right of an in-dependent foundation under Dutch law, or protective foundation, to exercise a call option pursuant to the call option agreement, upon which preferred shares will be issued by the Company to the protective foundation of up to 100% of the Company’s issued capital held by others than the protective foundation, minus one share. The protective foundation is expected to enter into a finance arrangement with a bank or, subject to applicable restrictions under Dutch law, the protective foundation may request the Company to provide, or cause the Company’s subsidiaries to provide, sufficient funding to the protective foundation to enable it to satisfy its payment obligation under the call option agreement.

These preferred shares will have both a liquidation and dividend preference over the Company`s common shares and will accrue cash dividends at a pre-determined rate. The protective foundation would be expected to require the Company to cancel its preferred shares once the perceived threat to the Company and its stakeholders has been removed or sufficiently mitigated or neutralized. The Company believes that the call option does not represent a significant fair value based on a Level 3 valuation, since the preference shares are restricted in use and can be cancelled by us.

In the three and nine months ended September 30, 2022, the Company expensed €15 thousand and €45 thousand, respectively, of ongoing costs to reimburse expenses incurred by the protective foundation.

Exhibit 99.2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management's discussion and analysis is designed to provide you with a narrative explanation of our financial condition and results of operations. We recommend that you read this discussion together with our unaudited condensed consolidated financial statements, including the notes thereto, for the three- and nine- month periods ended September 30, 2022 and 2021, respectively, included as Exhibit 99.1 to the Report on Form 6-K to which this discussion is attached as Exhibit 99.2. We also recommend that you read our management's discussion and analysis and our audited consolidated financial statements for fiscal year 2021, and the notes thereto, which appear in our Annual Report on Form 20-F for the year ended December 31, 2021 (the "Annual Report") filed with the U.S. Securities and Exchange Commission (the "SEC"). In addition, we recommend that you read any public announcements made by InflaRx N.V.

The following discussion is based on our financial information prepared in accordance with IFRS as issued by the IASB, which may differ in material respects from generally accepted accounting principles in the United States and other jurisdictions. We maintain our books and records in Euros. Unless otherwise indicated, all references to currency amounts in this discussion are in Euros. We have made rounding adjustments to some of the figures included in this discussion and analysis. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them.

The following discussion includes forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including but not limited to those described under "ITEM 3. KEY INFORMATION—C. Risk factors" in the Annual Report.

Unless otherwise indicated or the context otherwise requires, all references to "InflaRx" or the "company," "we," "our," "ours," "us" or similar terms refer to InflaRx N.V. and its subsidiaries InflaRx GmbH and InflaRx Pharmaceuticals, Inc.

Overview

We are a clinical-stage biopharmaceutical company focused on applying our proprietary anti-C5a and C5aR technologies to discover, develop and manufacture first-in-class, potent and specific inhibitors of the complement activation factor known as C5a and its receptor known as C5aR. C5a is a powerful inflammatory mediator involved in the progression of a wide variety of autoimmune and other inflammatory diseases. Our lead product candidate, vilobelimab, is a novel intravenously delivered first-in-class anti-C5a monoclonal antibody that selectively binds to free C5a and has demonstrated disease-modifying clinical activity and tolerability in multiple clinical settings.

Severe COVID-19

We are developing vilobelimab in severe COVID-19. In March 2020, we initiated a randomized open label multicenter trial Phase II/III clinical development program (PANAMO) with vilobelimab in severe COVID-19 patients with severely progressed pneumonia. In the Phase II part of the study, we evaluated vilobelimab treatment plus best supportive care compared to best supportive care alone for up to 28 days. Vilobelimab treatment was associated with a lower 28-day all-cause mortality when compared to the best supportive care group, along with trends in disease improvement, as evidenced by fewer patients experiencing renal impairment assessed by estimated glomerular filtration rates, more patients showing reversal of blood lymphocytopenia and a greater lowering of lactate dehydrogenase concentrations.

In March 2022, we announced Phase III topline results from the PANAMO study of vilobelimab in mechanically ventilated patients with COVID-19. Vilobelimab treatment resulted in a relative reduction in 28-day all-cause mortality by 23.9% compared to placebo but did not show statistical significance on the pre-specified primary endpoint. Three pre-specified subgroup analyses assessed the treatment effect of vilobelimab in patients with higher baseline disease severity. These analyses all showed a statistically significant signal towards a reduction in 28-day all-cause mortality in the vilobelimab arm compared to the placebo arm in mechanically ventilated patients with one or more additional organ support, captured as baseline ordinal scale of 7, in patients with severe acute respiratory distress syndrome (ARDS) and in patients with kidney impairment. A pre-specified analysis of patients from Western European countries also showed a statistically significant relative reduction in 28-day all-cause mortality of 43% (p=0.014), suggesting an improvement in mortality in line with the reported Phase II data of the PANAMO trial. 60-day all-cause mortality, a key secondary endpoint, showed a continued reduction of mortality in the vilobelimab arm. In September 2022, we announced that the previously reported results from our Phase III trial of vilobelimab to treat critically ill, invasively mechanically ventilated COVID-19 patients (PANAMO) have been published in the peer-reviewed journal, The Lancet Respiratory Medicine. The article includes a description of the results from the PANAMO study, as well as an in-depth statistical analysis confirming the robustness of the observed clinical survival benefit in the study.

In September 2022, we also announced that we submitted a request for Emergency Use Authorization (EUA) to the FDA for vilobelimab for the treatment of critically ill COVID-19 patients following encouraging interactions with the FDA at a previously held Type B meeting. Additionally, we announced that the FDA has granted us Fast Track designation for vilobelimab for the treatment of critically ill, intubated, mechanically ventilated COVID-19 patients. In addition, we continue to communicate with the EMA related to next regulatory steps for vilobelimab in mechanically ventilated severe COVID-19 patients.

In October 2021, we announced that we received a grant of up to €43.7 million from the German Ministry of Education and Research and the German Ministry of Health to support our development of vilobelimab for the treatment of severe COVID-19 patients. The grant is structured as a reimbursement of 80% of certain pre-specified expenses related to the clinical development and manufacturing of vilobelimab and awarded in four tranches. Each subsequent tranche is conditional on reaching agreed-upon development and manufacturing-related milestones for the preceding tranche and is structured as a reimbursement for company expenses. Individual tranches will not be paid if the preceding milestone of a tranche is not met. The initial tranche amounted to up to €25.8 million. With availability of the data from the COVID Phase III study, the agency handling the grant on behalf of the German government determined that we reached the first milestone in the funded project. With achievement of the first milestone, the second tranche of the awarded grant has been unlocked for future withdrawal. To date, we have received €11.9 million in grant funds. In the near future, we expect to apply for an additional €3.0 million in grant funds.

Pyoderma Gangraenosum (PG)

We are also developing vilobelimab for the treatment of pyoderma gangraenosum (PG), a rare neutrophilic dermatosis associated with chronic cutaneous ulcerations. PG usually has a devastating effect on a patient's life due to severe pain and induction of significant movement impairment depending on the lesions' locations. In February 2019, we initiated an open label, multicenter Phase IIa exploratory study, enrolling 18 patients with moderate to severe PG in Canada, the United States and Poland. The objective of this study was to evaluate the safety and efficacy of vilobelimab in this patient population in three different doses.

In April 2021, the study reached its enrollment target of 19 patients. In October, 2021, we announced preliminary results from the study. In the third dosing cohort at 2400mg biweekly, six of the seven patients achieved clinical remission with a physician global assessment (PGA) score of ≤ 1, which reflects a closure of the target ulcer. All patients in cohort 3 had elevated C5a levels at baseline that were continuously suppressed after initiation of vilobelimab treatment. Amongst all cohorts, two patients had related severe adverse events (SAEs) that were reported: one patient experienced an erysipelas leading to hospitalization (judged as non-related by the sponsor), the other developed a rash due to a delayed hypersensitivity reaction and withdrew from the study. No dose-related adverse events (AEs) were found. Overall, the observed AE profile was in line with the underlying diseases. Final data from the study were presented at the 2022 American Academy of Dermatology Association (AAD) Annual Meeting in March 2022.

With these results, during the second quarter of 2022, we had a productive End-of-Phase II meeting with the FDA in the United States related to our plans for a Phase III development program in PG. The FDA indicated its support for a randomized, controlled Phase III clinical trial and offered to review the study protocol, recognizing PG as a serious and rare condition. Based on the FDA's feedback and recommendations, we are now finalizing the design for a Phase III trial and continue to be in dialogue with the FDA related to this. Subsequently, vilobelimab was granted Orphan Drug designation for the treatment of PG by both the FDA in the United States and the European Medicines Agency (EMA) in Europe. Moreover, in July 2022, we announced that the FDA also granted Fast Track designation for the development of vilobelimab for the treatment of PG. As of the date hereof, we are awaiting feedback from the FDA regarding the submitted study protocol for the Phase III study.

Cutaneous Squamous Cell Carcinoma (cSCC)

We are also developing vilobelimab for the treatment of programmed cell death protein 1 (PD-1) / programmed death ligand 1 (PD-L1) inhibitor resistant/refractory locally advanced or metastatic cutaneous squamous cell carcinoma (cSCC). cSCC is the second most common skin cancer. The incidence of cSCC increases with increasing sun exposure and age and individuals with fair skin and hair are more often affected. The potential for local recurrence or metastasis of cSCC varies with the pathologic variant and localization of the primary lesion, and the risk for metastasis in cSCC is approximately 2-5%. Advanced cSCC 10-year survival rates are less than 20% with regional lymph node involvement and less than 10% with distant metastases.

Our clinical Phase II study of vilobelimab in cSCC is ongoing. We are recruiting patients in two independent arms, vilobelimab alone (Arm A) and vilobelimab in combination with pembrolizumab (Arm B), in order to evaluate and establish the safety of vilobelimab in cSCC patients.

In June 2021, we announced the dosing of the first patient in the study in Arm A. After five weeks of treatment with the first three patients, a safety assessment was completed, and enrollment in Arm B was also opened.

As of the date hereof, nine patients are enrolled in Arm A, in which they receive a dose of 800 mg vilobelimab on days 1, 4, 8 and 15, followed by a dose of 1600 mg vilobelimab every two weeks starting on day 22. An interim analysis in Arm A is required to further proceed with Arm A of the study. Such analysis will be conducted once ten patients are evaluable for response assessment, which we expect to be available in the first half of 2023.

In parallel, we previously reported that in Arm B, three patients have been treated in the first dosing cohort of the study (400 mg intravenous infusions of vilobelimab on days 1, 4, 8 and 15 and 800 mg from day 22 and every two weeks thereafter, in addition to 400 mg of pembrolizumab on day 8 and every six weeks thereafter). An independent Steering Committee recommended to continue the study at the next higher dose (600 mg intravenous infusions of vilobelimab on days 1, 4, 8 and 15 and 1,200 mg from day 22 and every two weeks thereafter, in addition to 400 mg of pembrolizumab on day 8 and every six weeks thereafter). A subsequent independent Steering Committee recommended to continue the study at the highest planned dose (800 mg intravenous infusions of vilobelimab on days 1, 4, 8 and 15 and 1,600 mg from day 22 and every two weeks thereafter, in addition to 400 mg of pembrolizumab on day 8 and every six weeks thereafter). Meanwhile, twelve patients have been enrolled in Arm B. An interim analysis will be required to select the appropriate dose for continuation of the study in Arm B and is planned once ten patients treated at the selected and recommended dose level are evaluable for response assessment. These data are expected to be available in the second half of 2023.

Hidradenitis Suppurativa (HS)

We were developing vilobelimab for the treatment of hidradenitis suppurativa (HS), a chronic debilitating systemic inflammatory skin disease. In June 2019, we announced that our Phase IIb clinical trial of vilobelimab in HS (SHINE) did not meet its primary endpoint. We subsequently announced the results of additional analysis and first interim results of the open label extension trial. In light of all available data from the post-hoc analysis of the completed SHINE study and our interaction with the regulatory authorities, we initiated a Phase III study with vilobelimab in HS in January 2022, which we subsequently paused in February 2022, after having received conflicting advice from the FDA regarding the proposed clinical trial protocol and the primary endpoint of the study described therein. In March 2022, the FDA corrected its advice to us. However, after performing a strategic review of our development programs and considering the current financing environment, we decided to halt the development of vilobelimab in HS for the time being.

ANCA-associated Vasculitis (AAV)

We were developing vilobelimab for the treatment of anti-neutrophil cytoplasmic antibody (ANCA) associated vasculitis (AAV), a rare, life-threatening autoimmune disease associated with powerful inflammatory flares that impair kidney function and lead to fatal organ dysfunction.

In May 2021, we reported top-line data for our Phase II safety study in patients with moderate to severe AAV (IXPLORE), indicating that vilobelimab, when dosed in addition to standard of care, proved to be safe and well tolerated.

Furthermore, in November 2021, we announced top-line results from our randomized, double-blind, placebo-controlled Phase II clinical trial of vilobelimab in patients with AAV (IXCHANGE). In this study with 57 patients, we showed a comparable clinical response of vilobelimab to standard of care, while significantly reducing the need for glucocorticoid (GC) treatment in this life-threatening indication.

Despite these encouraging results, taking into account the resources required and long duration of necessary Phase III studies to gain regulatory approval, in April 2022, we decided to halt the clinical development of vilobelimab in AAV for the time being.

INF904

We are developing INF904, an oral, small molecule drug candidate that targets the C5aR receptor. C5aR, a G-protein-coupled-receptor expressed primarily by granulocytes, mediates the pathophysiological effects of C5a. We plan on targeting complement-mediated, chronic auto-immune and inflammatory conditions where an oral small molecule is the preferred route of administration for patients.

In January 2022, we reported that we have been granted a composition of matter patent for INF904 and associated compounds by the U.S. Patent and Trademark Office and have completed investigational new drug (IND)-enabling (preclinical) studies that demonstrated no obvious toxicological findings even in the highest dose groups in required GLP toxicity analyses. In these preclinical studies, oral INF904 showed higher plasma exposure in animals, including non-human primates, and improved inhibitory activity in a hamster neutropenia model compared to the marketed C5aR inhibitor. Anti-inflammatory therapeutic effects in several preclinical disease models were also demonstrated by INF904. Further, in contrast to the marketed C5aR inhibitor, in vitro experiments showed INF904 has substantially less inhibition of the cytochrome P450 3A4/5 (CYP3A4/5) enzymes, which play an important role in the metabolism of a variety of drugs, including glucocorticoids. We are on track to initiate a Phase I program in the second half of 2022 and plan to study INF904 in complement-mediated, chronic autoimmune and inflammatory diseases where oral administration is the preferred choice for patients.

IFX002

To expand the breadth of our anti-C5a technology, we are also developing IFX002 for the treatment of chronic inflammatory indications. IFX002 shares the same mechanism of action as vilobelimab, blocking C5a with high specificity, but is designed with a dosing regimen that may be more suitable for chronic therapy. IFX002 is in pre-clinical development.

Management Changes

In August 2022, we announced the departure of Dr. Korinna Pilz, our Chief Clinical Development Officer, who left the company for personal reasons. We subsequently signed a separation agreement with Dr. Pilz, in which we mutually agreed that Dr. Pilz would continue providing her services until October 28, 2022. After October 28, 2022, Dr. Pilz may continue to advise us on specific matters on an as-needed basis.

Financial Highlights

As of September 30, 2022, we had cash and cash equivalents of €18.0 million and marketable securities of €75.2 million. In April 2022, we conducted a strategic review of our programs and decided to halt development of vilobelimab for HS and AAV until if and when we have sufficient resources to run Phase III trials for the respective programs. As a result of this prioritization, we believe that our current funds will be sufficient to fund our planned operations at least into the second half of 2024.

We anticipate that the level of our expenses will be affected if and as we:

- engage with regulators with respect to potential approval paths for vilobelimab in severe COVID-19 and PG and determine and execute on next steps for the clinical development of, and regulatory approval for, vilobelimab in severe COVID-19 and/or PG;
- further develop vilobelimab for cSCC, depending on the results of the ongoing trial in that indication;
- further develop and continue research programs for the potential start of Phase III trials;
- initiate and continue research programs and development activities, including development of IFX002 and INF904; and
- manufacture clinical trial material and continue to validate our manufacturing process for vilobelimab to meet regulatory standards for approval as a commercial-grade manufacturing process.

Our expenses in any quarter may not be indicative of our expenses in future periods, and in particular we expect that our expenses, and therefore our net losses, could vary depending on the going forward strategy relating to the regulatory approval of vilobelimab in severe COVID-19 patients, PG, cSCC and additional indications as well as any potential addition of a technology platform or assets.

We do not expect to generate revenue from product sales unless and until we successfully complete development and obtain regulatory approval for a product candidate, which we expect to be subject to significant uncertainty. If we obtain regulatory approval for any product candidate, we expect to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution. Accordingly, we may seek to further fund our operations through public or private equity or debt financings or other sources, including strategic collaborations. We may, however, be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. Our failure to raise capital or enter into such other arrangements as and when needed, would have a negative impact on our financial condition and our ability to develop vilobelimab or any additional product candidates.

Research and Development Expenses

Research and development expenses consisted principally of:

- expenses incurred under agreements with contract research organizations (CROs), contract manufacturing organizations (CMOs), consultants and independent contractors that conduct research and development, manufacturing development, preclinical and clinical activities on our behalf;
- employee-related expenses, including salaries, benefits and share-based compensation expense based upon employees' role within the organization; and
- professional legal fees related to the protection and maintenance of our intellectual property.

Our research and development expenses primarily relate to the following key programs:

- Vilobelimab. We expect our expenses associated with vilobelimab will increase in 2022 compared to 2021, as we complete the outstanding clinical trial activities in COVID-19, pursue regulatory approval submissions for vilobelimab in severe COVID-19, complete outstanding activities in our Phase II clinical program of vilobelimab in patients with PG, potentially start a Phase III study in PG, and continue the Phase II clinical program in cSCC. In addition, we are also incurring expenses related to the manufacturing of clinical trial material and by validating our manufacturing process for vilobelimab to meet regulatory standards for approval as a commercial-grade manufacturing process. Furthermore, we are investigating commercial-scale production options.

- INF904. We are developing an oral, small molecule drug candidate that targets the C5aR receptor. All IND-enabling studies have been completed and we plan to initiate the Phase I program in the second half of 2022.

- IFX002. We are continuing preclinical development of IFX002, expenses for which mainly consist of salaries, costs for preclinical testing conducted by CROs and costs of production for preclinical material.

- Other development programs. Our other research and development expenses relate to our preclinical studies of other product candidates and discovery activities, expenses for which mainly consist of salaries, costs of production for preclinical compounds and costs paid to CROs.

In 2021, we incurred €35.7 million in research and development expenses. For the nine months ended September 30, 2022 and 2021, we incurred research and development expenses of €29.2 million and €25.6 million, respectively. The principal driver of the increase in our research and development expenses was the completion of the Phase III clinical trial of vilobelimab in severe COVID-19 and the activities related to manufacturing of clinical trial material and validation of our manufacturing process for vilobelimab to meet regulatory standards for approval as a commercial-grade manufacturing process. Our research and development expenses may vary substantially from period to period based on the timing of our research and development activities, including due to timing of clinical trial initiation and enrollment.

We expense research and development costs as incurred. We recognize costs for certain development activities, such as preclinical studies and clinical trials, based on an evaluation of the progress to completion of specific tasks. We use information provided to us by our vendors such as patient enrollment or clinical site activations for services received and efforts expended. Research and development activities are central to our business model.

The successful development of our product candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing and estimated costs of the efforts that will be necessary to complete the development of, or the period, if any, in which material net cash inflows may commence from, any of our product candidates. For a discussion of our other key financial statement line items, please see “ITEM 5. Operating and Financial Review and Prospects—Operating results” in the Annual Report.

General and Administrative Expenses

We expect that our general and administrative expenses will increase in the future as our business expands and we incur additional costs associated with operating as a public company. These public company-related costs relate primarily to additional personnel, additional professional and legal fees, audit fees, directors’ and officers’ liability insurance premiums and costs associated with investor relations.

For the nine months ended September 30, 2022 and 2021, we incurred general and administrative expenses of €11.8 million and €9.1 million, respectively. The principal driver of the increase in our general and administrative expenses is attributable to higher personnel expenses from equity-settled share-based compensation recognized in personnel expenses of €3.3 million in the nine months ended September 30, 2022 (versus €2.4 million in the same period of 2021). Especially, the decision to reprice outstanding stock options made on April 13, 2022 contributed to the increase in these expenses.

Additionally, legal, consulting and other expenses increased to €5.9 million for the nine months ended September 30, 2022, from €3.9 million for the nine months ended September 30, 2021 mainly due to higher consulting and audit costs due to enhancing and testing of the Internal Controls over Financial Reporting (ICFR) environment.

Results of Operations

The information below was derived from our condensed consolidated financial statements included elsewhere herein. The discussion below should be read along with these condensed consolidated financial statements and our Annual Report.

Comparison of the Three Months Ended September 30, 2022 and 2021

	Three Months Ended September 30,		
(in €)	2022	2021	Change
Operating Expenses			
Research and development expenses	(7,537,350)	(9,359,850)	1,822,500
General and administrative expenses	(3,087,285)	(3,395,606)	308,321
Total Operating Expenses	(10,624,636)	(12,755,456)	2,130,820
Other income	2,030,406	22,850	2,007,556
Other expenses	—	—	—
Operating Result	(8,594,230)	(12,732,606)	4,138,376
Finance income	199,758	27,380	172,378
Finance expenses	(6,845)	(9,527)	2,682
Foreign exchange result	882,370	715,799	166,571
Other financial result	(402,724)	(56,000)	(346,724)
Loss for the Period	(7,921,671)	(12,054,955)	4,133,284
Exchange differences on translation of foreign currency	4,317,134	2,536,278	1,780,856
Total Comprehensive Loss	(3,604,538)	(9,518,677)	5,914,140

Research and Development Expenses

	Three Months Ended September 30,		
(in €)	2022	2021	Change
Third-party expenses	5,164,843	7,525,004	(2,360,161)
Personnel expenses	1,599,452	1,484,193	115,259
Legal and consulting fees	668,408	237,543	430,865
Other expenses	104,646	113,110	(8,464)
Total Research and development expenses	7,537,350	9,359,850	(1,822,500)

We use our employee and infrastructure resources across multiple research and development programs directed toward developing vilobelimab and our pre-clinical programs. We manage certain activities such as contract research and manufacturing of vilobelimab and our discovery programs through our third-party vendors.

Research and development expenses decreased by €1.8 million to €7.5 million for the three months ended September 30, 2022, from €9.4 million for the three months ended September 30, 2021. This decrease is attributable to lower third-party services, as the PANAMO Phase III study was mostly completed prior to Q3 2022.

General and Administrative Expenses

	Three Months Ended September 30,		
(in €)	2022	2021	Change
Personnel expenses	1,413,560	1,645,090	(231,530)
Legal, consulting and audit fees	533,648	880,732	(347,084)
Other expenses	1,140,078	869,784	270,294
Total General and administrative expense	3,087,285	3,395,606	(308,321)

General and administrative expenses decreased by €0.3 million to €3.1 million for the three months ended September 30, 2022, from €3.4 million for the three months ended September 30, 2021. This decrease is attributable to lower personnel expenses (€0.2 million). Additionally, legal, consulting and other expenses were €1.7 million for the three months ended September 30, 2022, compared to €1.8 million for the three months ended September 30, 2021.

Other income

	Three Months Ended September 30,		
(in €)	2022	2021	Change
Other income from government grants	2,019,684	—	2,019,684
Further other incomes	10,722	22,850	(12,128)
Total Other income	2,030,406	22,850	2,007,556

Other income for the three months ended September 30, 2022 was €2.0 million, which is primarily attributable to income recognized from grant payments received from the German federal government for the development of vilobelimab in severe COVID-19s, including expenses related to clinical development and manufacturing process development. We began recognizing other income from government grants in Q2 2022.

Net financial result

Financial Result		Three Months Ended September 30,		
	(in €)	2022	2021	Change
Financial income				
	Interest income	199,758	27,380	172,378
Financial expenses				
	Interest expenses	(878)	(4,305)	3,427
Interest on lease liabilities		(5,967)	(5,222)	(745)
	Total	192,913	17,853	175,060

Interest income results from marketable securities and short-term deposits in U.S. Dollars held by the Company and its subsidiaries.

Foreign exchange result

(in €)	Three Months Ended September 30, 2022	2021	Change
Foreign exchange result			
Foreign exchange income	1,634,121	910,411	723,710
Foreign exchange expense	(751,751)	(194,612)	(557,139)
Total	882,370	715,799	166,571

Foreign exchange income and expense is mainly derived from the translation of the U.S. Dollar cash, cash equivalents and securities held by the Company and its subsidiaries.

Other financial result

(in €)	Three Months Ended September 30, 2022	2021	Change
Other financial result			
Total	(402,724)	(56,000)	(346,724)

Other financial result is due to the expected credit loss allowance, which is deducted from our current and non-current financial assets. The increase is attributable to the current volatility in the capital markets resulting in an increase to the credit default swap spread. This input impacts the valuation of the Company's securities.

Net financial result for the nine month ended September 30, 2022 amounts to €0.7 million and is nearly unchanged to the previous year.

Comparison of the Nine Months Ended September 30, 2022 and 2021

(in €)	Nine Months Ended September 30, 2022	2021	Change
Operating Expenses			
Research and development expenses	(29,190,231)	(25,566,005)	(3,624,226)
General and administrative expenses	(11,821,694)	(9,115,783)	(2,705,911)
Total Operating Expenses	(41,011,925)	(34,681,788)	(6,330,137)
Other income	16,473,540	43,529	16,430,011
Other expense	(844)	(844)	—
Operating Result	(24,539,229)	(34,639,103)	10,099,874
Finance income	310,121	85,964	224,157
Finance expenses	(39,376)	(16,261)	(23,115)
Foreign exchange result	3,173,883	1,621,165	1,552,718
Other financial result	(363,724)	(13,000)	(350,724)
Loss for the Period	(21,458,325)	(32,961,235)	11,502,910
Exchange differences on translation of foreign currency	10,035,949	4,613,675	5,422,274
Total Comprehensive Loss	(11,422,376)	(28,347,560)	16,925,184

Research and Development Expenses

(in €)	Nine Months Ended September 30, 2022	2021	Change
Third-party expenses	21,947,799	20,031,444	1,916,355
Personnel expenses	5,825,051	4,462,164	1,362,887
Legal and consulting fees	1,139,769	748,360	391,409
Other expenses	277,613	324,037	(46,424)
Total research and development expenses	29,190,231	25,566,005	3,624,226

We use our employee and infrastructure resources across multiple research and development programs directed toward developing vilobelimab and our pre-clinical programs. We manage certain activities such as contract research and manufacturing of vilobelimab and our discovery programs through our third-party vendors.

Research and development expenses incurred for the nine months ended September 30, 2022 increased compared to the corresponding period in 2021 by €3.6 million. This increase was primarily due to higher expenses for the completion of the Phase III part of our COVID-19 trial as well as costs for manufacturing development activities and was driven by an overall increase in third-party expenses of €1.9 million. The €1.4 million increase in personnel expenses is mainly related to equity-settled share-based compensation.

General and Administrative Expenses

(in €)	Nine Months Ended September 30, 2022	2021	Change
Personnel expenses	5,943,286	5,186,576	756,710
Legal, consulting and audit fees	2,445,355	1,461,181	984,174
Other expenses	3,433,052	2,468,026	965,026
Total General and administrative expense	11,821,694	9,115,783	2,705,911

General and administrative expenses increased by €2.7 million to €11.8 million for the nine months ended September 30, 2022, from €9.1 million for the nine months ended September 30, 2021. This increase is primarily attributable to increasing expenses associated with equity-settled share-based compensation recognized in personnel expenses. Furthermore, legal, consulting and other expenses increased by €2.0 million to €5.9 million for the nine months ended September 30, 2022, from €3.9 million for the nine months ended September 30, 2021, mainly due to higher consulting and audit costs in conjunction with the preparation and audit of our ICFR.

Other income

(in €)	Nine Months Ended September 30, 2022	2021	Change
Other income from government grants	16,435,051	—	16,435,051
Further other incomes	38,489	43,528	(5,039)
Total Other income	16,473,540	43,528	16,430,012

Other income for the nine months ended September 30, 2022, was €16.5 million, which is primarily attributable to income recognized from grant payments received from the German federal government for the development of vilobelimab in severe COVID-19, including expenses related to clinical development and manufacturing process development. We began recognizing other income from government grants in Q2 2022.

A portion of the other income is attributable to the recognition of €7.1 million, which was initially deferred in Q4 2021 as a liability, because prior to Q2 2022, we did not have reasonable assurance as to whether all grant conditions were fulfilled. In addition, reimbursable costs incurred during the nine months ended September 30, 2022, in the amount of €9.3 million, were also recognized as other income.

Net financial result

Financial Result		Nine Months Ended September 30,		
	(in €)	2022	2021	Change
Financial income				
	Interest income	310,121	85,964	224,157
Financial expenses				
	Interest expenses	(22,980)	(7,190)	(15,790)
Interest on lease liabilities		(16,396)	(9,071)	(7,325)
	Total	270,745	69,703	201,042

Interest income results from marketable securities and short-term deposits in U.S. Dollars held by the Company and its subsidiaries.

Foreign exchange result		Nine Months Ended September 30,		
	(in €)	2022	2021	Change
Foreign exchange result				
Foreign exchange income		5,691,750	5,002,650	689,100
Foreign exchange expense		(2,517,867)	(3,381,485)	863,618
Total		3,173,883	1,621,165	1,552,718

Foreign exchange income and expense is mainly derived from the translation of the U.S. Dollar cash, cash equivalents and securities held by the Company and its subsidiaries.

Other financial result		Nine Months Ended September 30,		
	(in €)	2022	2021	Change
Other financial result				
Total		(363,724)	(13,000)	(350,724)

Other financial result is due to the expected credit loss allowance, which is deducted from our current and non-current financial assets. The increase is attributable to the current volatility in the capital markets resulting in an increase to the credit default swap spread. This input impacts the valuation of the Company’s securities.

Net financial result increased by €1.4 million to €3.1 million for the nine months ended September 30, 2022, from €1.7 million for the nine months ended September 30, 2021. This increase was mainly attributable to the strengthening of the USD to EUR during 2022.

Liquidity and Capital Resources

Since inception, we have incurred significant operating losses. For the nine months ended September 30, 2022, we incurred a net loss of €21.5 million. To date, we have financed our operations primarily through the sale of our securities. As of September 30, 2022, we had cash and cash equivalents of €18.0 million, in addition to marketable securities of €75.2 million. Our cash and cash equivalents primarily consist of bank deposit accounts and fixed U.S. Dollar term deposits. Our marketable securities all consist of quoted debt securities with high credit ratings.

Cash Flows

The table below summarizes our consolidated statement of cash flows for the nine months ended September 30, 2022 and 2021:

	Nine Months Ended September 30,	
(in €)	2022	2021
Net cash used in operating activities	(28,525,857)	(28,214,674)
Net cash from investing activities	17,550,925	7,716,318
Net cash from/ (used in) financing activities	(273,092)	61,615,454
Cash and cash equivalents at the beginning of the period	26,249,995	25,968,681
Exchange gains on cash and cash equivalents	2,976,033	2,881,645
Cash and cash equivalents at the end of the period	17,978,003	69,967,424

Net Cash used in Operating Activities

The use of cash in all periods resulted primarily from our net losses, adjusted for non-cash charges and changes in components of working capital.

Net cash used in operating activities increased by €0.3 million to €28.5 million for the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021, during which net cash used in operating activities was €28.2 million.

Net Cash from Investing Activities

Net cash from investing activities increased by €9.8 million for the nine months ended September 30, 2022 mainly due to an increase of €16.3 million in repayments from matured marketable securities and offset by an increase of €6.5 million in purchases of marketable securities for the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021.

Net Cash from Financing Activities

Net cash from financing activities decreased by €61.9 million in the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021, primarily due to no financings having been undertaken in the first nine months of 2022, whereas funds were raised in a follow-on offering in March 2021 and through our at-the-market program during the first nine months of 2021.

Funding Requirements

We expect our expenses associated with vilobelimab will increase in 2022 compared to 2021, as we expect to complete the activities regarding our Phase III trial in COVID-19, explore the regulatory approval submission for vilobelimab in severe COVID-19, complete outstanding activities in our Phase II clinical program of vilobelimab in patients with PG, potentially start a Phase III study in PG, and continue the Phase II clinical program in cSCC. In addition, we are also incurring expenses related to the manufacturing of clinical trial material and by validating our manufacturing process for vilobelimab to meet regulatory standards for approval as a commercial-grade manufacturing process. Furthermore, we are in discussions with contract manufacturers and potential collaboration partners regarding commercial scale production options. Furthermore, we are developing an oral, small molecule drug candidate that targets the C5aR receptor denominated as INF904. All IND-enabling studies have been completed and we plan to initiate the Phase I program in the second half of 2022. We are also continuing preclinical development of IFX002. We also continue with our other research and development efforts towards other product candidates and early discovery activities. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialization expenses related to establishing sales, marketing, distribution and other commercial infrastructure to commercialize such products. Furthermore, we expect to incur additional costs associated with operating as a public company. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise capital when needed or on attractive terms, we would be forced to delay, reduce, or eliminate our research and development programs or future commercialization efforts. We believe that our existing cash and cash equivalents and financial assets will enable us to fund our operating expenses and capital expenditure requirements under our current business plan for at least the next 24 months.

Until such time, if ever, that we can generate substantial product revenues, we expect to finance our cash needs through a combination of equity offerings, debt financings, research and development grant income, royalty-based financings, future collaborations, strategic alliances, and licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the interest of our current shareholders will be diluted, and the terms of these securities may include voting or other rights that adversely affect your rights as a common shareholder. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends. If we raise funds through additional collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish rights to our technologies, future revenue streams, research programs or product candidates or to grant licenses on terms that may not be favorable to us.

For more information as to the risks associated with our future funding needs, see "ITEM 3. KEY INFORMATION—C. Risk factors" in our Annual Report.

Off-Balance Sheet Arrangements

As of September 30, 2022, and during the periods presented, we did not have any off-balance sheet arrangements other as described under "Management's discussion and analysis of financial condition and results of operations—Off-balance sheet arrangements" in our Annual Report.

Contractual Obligations and Commitments

As of the date of this discussion and analysis, we do not have any, and during the periods presented we did not have any, contractual obligations and commitments other than as described under "Management's discussion and analysis of financial condition and results of operations- Contractual obligations and commitments" in our Annual Report.

Quantitative and Qualitative Disclosures about Market Risk

During the nine months ended September 30, 2022, there were no significant changes to our quantitative and qualitative disclosures about market risk from those reported in "Management's discussion and analysis of financial condition and results of operations–Quantitative and qualitative disclosures about market risk" in our Annual Report.

Critical Judgments and Accounting Estimates

There have been no material changes to the significant accounting policies and estimates described in "Management's discussion and analysis of financial condition and results of operations—Critical judgments and accounting estimates" in our Annual Report.

JOBS Act Exemptions

On April 5, 2012, the JOBS Act was signed into law. The JOBS Act contains provisions that, among other things, reduce certain reporting requirements for an "emerging growth company." As an emerging growth company, we are not required to provide an auditor attestation report on our system of internal controls over financial reporting. As of December 31, 2022, we will no longer qualify as an emerging growth company. Accordingly, in our Annual Report, we will no longer be subject to the reduced reporting requirements applicable to emerging growth companies and we will be required to adhere to, among other things, the auditor attestation requirement in the assessment of internal controls over financial reporting and compliance with the requirement that the Public Company Accounting Oversight Board has adopted regarding a supplement to the auditor's report providing additional information about the audit and the financial statements. As a result of losing our emerging growth company status at the end of 2022, we have begun to incur additional costs that may continue as we refine our financial reporting processes and expand our operations.

Cautionary Statement Regarding Forward Looking Statements

This discussion contains forward-looking statements that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "estimate," "believe," "predict," "potential" or "continue" or the negative of these terms or other similar expressions intended to identify statements about the future. These statements speak only as of the date of this discussion and involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements include, without limitation, statements about the following:

- our operation as a development stage company with limited operating history, our history of operating losses and our accumulated deficit of €235.4 million as of September 30, 2022;

- the timing, progress and results of clinical trials of vilobelimab and any other product candidates, including for the development of vilobelimab in several indications, including to treat PG and severe COVID-19, and statements regarding the timing of initiation and completion of studies or trials and related preparatory work, the period during which the results of the trials will become available, the costs of such trials and our research and development programs generally;

- our interactions with regulators regarding the results of clinical trials and potential regulatory approval pathways; the timing and outcome of any discussions or submission of filings for regulatory approval of vilobelimab or any other product candidate, and the timing of and our ability to obtain and maintain regulatory approval of vilobelimab for any indication;

- our ability to leverage our proprietary anti-C5a and anti-C5aR technologies to discover and develop therapies to treat complement-mediated autoimmune and inflammatory diseases;

- our ability to protect, maintain and enforce our intellectual property protection for vilobelimab and any other product candidates, and the scope of such protection;

- whether the FDA, EMA or comparable foreign regulatory authority will accept or agree with the number, design, size, conduct or implementation of our clinical trials, including any proposed primary or secondary endpoints for such trials;

- the success of our future clinical trials for vilobelimab and any other product candidates and whether such clinical results will reflect results seen in previously conducted preclinical studies and clinical trials;

- our expectations regarding the size of the patient populations for, market opportunity for and clinical utility of vilobelimab or any other product candidates, if approved for commercial use;

- our manufacturing capabilities and strategy, including the scalability and cost of our manufacturing methods and processes and the optimization of our manufacturing methods and processes, and our ability to continue to rely on our existing third-party manufacturers and our ability to engage additional third-party manufacturers for our planned future clinical trials and potentially for commercial supply of vilobelimab;

- our estimates of our expenses, ongoing losses, future revenue, capital requirements and our needs for or ability to obtain additional financing;

- our expectations regarding the scope of any approved indication for vilobelimab;

- our ability to defend against liability claims resulting from the testing of our product candidates in the clinic or, if, approved, any commercial sales;

- our ability to commercialize vilobelimab or our other product candidates;

- if any of our product candidates obtain regulatory approval, our ability to comply with and satisfy ongoing obligations and continued regulatory overview;

- our ability to comply with enacted and future legislation in seeking marketing approval and commercialization;

- our future growth and ability to compete, which depends on our retaining key personnel and recruiting additional qualified personnel;

- our competitive position and the development of and projections relating to our competitors in the development of C5a inhibitors or our industry; and

- Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond our control, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. You should refer to the "ITEM 3. KEY INFORMATION— C. Risk factors" section of our Annual Report for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. As a result of these factors, we cannot assure you that the forward-looking statements in this discussion or in our Annual Report will prove to be accurate. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. You should, however, review the factors and risks and other information we describe in the reports we will file from time to time with the SEC after the date of this discussion.

Exhibit 99.3

EXPLANATORY NOTE

This "Material Dutch Tax Considerations" section is being provided to update disclosure in InflaRx N.V.'s Annual Report on Form 20-F for the year ended December 31, 2021 filed with the U.S. Securities and Exchange Commission as a result of subsequent changes in Dutch tax law. This section shall be deemed to be incorporated by reference into (i) the registration statement on Form S-8 (File No. 333-221656) and (ii) the registration statement on Form F-3 (File No. 333-239759) of InflaRx N.V. and to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

MATERIAL DUTCH TAX CONSIDERATIONS

General

The following is a general summary of certain material Dutch tax consequences of the acquisition, holding and disposal of our common shares. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of common shares and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, this general summary should be treated with corresponding caution. To the extent this summary relates to legal conclusions under current Netherlands tax law, and subject to the qualifications it contains, it represents the opinion of NautaDutilh N.V., our special Dutch counsel. Holders or prospective holders of shares should consult with their own tax advisors with regard to the tax consequences of investing in the shares in their particular circumstances. The discussion below is included for general information purposes only.

For the purposes of this discussion, it is assumed that we are a tax resident of Germany under German national tax laws since we intended to have, from our incorporation and on a continuous basis, our place of effective management in Germany. See Risk Factor "We may become taxable in a jurisdiction other than Germany and this may increase the aggregate tax burden on us."

Please note that this summary does not describe the Dutch tax considerations for:

1. holders of our common shares if such holders, and in the case of individuals, his or her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest (aanmerkelijk belang) or deemed substantial interest (fictief aanmerkelijk belang) in the company under the Dutch Income Tax Act 2001 (Wet inkomstenbelasting 2001). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his or her partner (as defined in the Dutch Income Tax Act 2001, directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;

2. holders of our common shares if the shares held by such holders qualify or qualified as a participation (deelneming) for purposes of the Dutch Corporate Income Tax Act 1969 (Wet op de vennootschapsbelasting 1969). Generally, a taxpayer's shareholding of 5% or more in a company's nominal paid-up share capital (or, in certain cases, in voting rights) qualifies as participation. A holder may also have a participation if such holder does not have a shareholding of 5% or more but a related entity (statutorily defined term) has a participation or if the company in which the shares are held is a related entity (statutorily defined term);

3. holders of shares who are individuals for whom the shares or any benefit derived from the shares are a remuneration or deemed to be a remuneration for (employment) activities or services performed by such holders or certain individuals related to such holders, whether within or outside an employment relation, that provides the holder, economically speaking, with certain benefits that have a relation to the relevant work activities or services (as defined in the Dutch Income Tax Act 2001); and

4. pension funds, investment institutions (fiscale beleggingsinstellingen), exempt investment institutions (vrijgestelde beleggingsinstellingen) (as defined in the Dutch Corporate Income Tax Act 1969) and other entities that are, in whole or in part, not subject to or exempt from corporate income tax in the Netherlands, as well as entities that are exempt from corporate income tax in their country of residence, such country of residence being another state of the European Union, Norway, Liechtenstein, Iceland or any other state with which the Netherlands have agreed to exchange information in line with international standards.

Except as otherwise indicated, this summary only addresses Dutch national tax legislation and published regulations, whereby the Netherlands and Dutch law means the part of the Kingdom of the Netherlands located in Europe and its law respectively, as in effect on the date hereof and as interpreted in published case law (of the Dutch Supreme Court (Hoge Raad der Nederlanden) until this date, without prejudice to any amendment introduced (or to become effective) at a later date and/or implemented with or without retroactive effect. The applicable tax laws or interpretations thereof may change, or the relevant facts and circumstances may change, and such changes may affect the contents of this section, which will not be updated to reflect any such changes.

This discussion is for general information purposes and is not tax advice or a complete description of all Dutch tax consequences relating to the acquisition, holding and disposal of our shares. Holders or prospective holders of our shares should consult their own tax advisor regarding the tax consequences relating to the acquisition, holding and disposal of our shares in light of their particular circumstances.

Dividend Withholding Tax

We are incorporated under the laws of the Netherlands, and therefore a Dutch tax resident for Dutch domestic tax law purposes, including the Dutch Dividend Withholding Tax Act 1969. As such, we are required to withhold Dutch dividend withholding tax at a rate of 15% from dividends distributed by us (which withholding tax will not be borne by us but will be withheld by us from the gross dividends paid on the shares). We are however also treated as a German tax resident for German domestic tax law purposes, since our place of effective management is located in Germany. As long as we continue to have our place of effective management in Germany, and not in the Netherlands, under the convention between the Federal Republic of Germany and the Netherlands for the avoidance of double taxation with respect to taxes on income of 2012, we will be considered to be exclusively tax resident in Germany. Consequently, the Netherlands will be restricted to impose Dutch dividend withholding tax on dividends distributed by us (we will not be required to withhold Dutch dividend withholding tax). This exemption from withholding does not apply to dividends distributed by us to a holder of our common shares who is resident or deemed to be resident in the Netherlands for Dutch income tax purposes or Dutch corporation tax purposes or to a holder of our common shares that is neither resident nor deemed to be resident of the Netherlands if the common shares are attributable to a Dutch permanent establishment of such non-resident holder, in which events the following applies. See Risk Factor “If we pay dividends, we may need to withhold tax on such dividends payable to holders of our shares in both Germany and the Netherlands.”

Dividends distributed by us to individuals and corporate legal entities who are resident or deemed to be resident in the Netherlands for Dutch tax purposes ("Dutch Resident Individuals" and "Dutch Resident Entities" as the case may be) or to holders of our common shares that are neither resident nor deemed to be resident of the Netherlands if the common shares are attributable to a Dutch permanent establishment of such non-resident holder are subject to Dutch dividend withholding tax at a rate of 15%.

The expression "dividends distributed" includes, among other things:

- distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital not recognized for Dutch dividend withholding tax purposes;

- liquidation proceeds, proceeds of redemption of shares, or proceeds of the repurchase of shares by us or one of our subsidiaries or other affiliated entities to the extent such proceeds exceed the average paid-in capital of those shares as recognized for purposes of Dutch dividend withholding tax, unless in case of a repurchase, a particular statutory exemption applies;

- an amount equal to the par value of shares issued or an increase of the par value of shares, to the extent that it does not appear that a contribution, recognized for purposes of Dutch dividend withholding tax, has been made or will be made; and

- partial repayment of the paid-in capital, recognized for purposes of Dutch dividend withholding tax, if and to the extent that we have net profits (zuivere winst), unless the holders of shares have resolved in advance at a general meeting to make such repayment and the par value of the shares concerned has been reduced by an equal amount by way of an amendment of our Articles of Association.

Dutch Resident Individuals and Dutch Resident Entities can generally credit the Dutch dividend withholding tax against their income tax or corporate income tax liability. The same applies to holders of our common shares that are neither resident nor deemed to be resident of the Netherlands if the shares are attributable to a Dutch permanent establishment of such non-resident holder.

Pursuant to legislation to counteract "dividend stripping," a reduction, exemption, credit or refund of Dutch dividend withholding tax is denied if the recipient of the dividend is not the beneficial owner (uiteindelijk gerechtigde) as described in the Dutch Dividend Withholding Tax Act 1965 (Wet op de dividendbelasting 1965). This legislation generally targets situations in which a shareholder retains its economic interest in shares but reduces the withholding tax costs on dividends by a transaction with another party. It is not required for these rules to apply that the recipient of the dividends is aware that a dividend stripping transaction took place. The Dutch State Secretary for Finance takes the position that the definition of beneficial ownership introduced by this legislation will also apply in the context of a double taxation convention.

Conditional withholding tax on dividends (as of 1 January 2024)

Furthermore, it cannot be excluded that dividends distributed by us to certain related entities which are not resident in the Netherlands for Dutch tax purposes will become subject to a Dutch conditional withholding tax in certain specific situations (see below), irrespectively of the fact that we have our place of effective management in Germany and, therefore, are a tax resident of Germany under German national tax laws. As of 1 January 2024, a Dutch conditional withholding tax will be imposed on dividends distributed by us to related entities (gelieerd) resident in certain listed jurisdictions or in case of abusive arrangements (all within the meaning of the Dutch Withholding Tax Act 2021; Wet bronbelasting 2021). The Dutch conditional withholding tax on dividends will be imposed at the highest Dutch corporate income tax rate in effect at the time of the distribution (2022: 25.8%). The Dutch conditional withholding tax on dividends will be reduced, but not below zero, by any regular Dutch dividend withholding tax withheld in respect of the same dividend distribution. As such, based on the currently applicable rates, the overall effective tax rate of withholding the regular Dutch dividend withholding tax (as described above) and the Dutch conditional withholding tax on dividends will not exceed the highest corporate income tax rate in effect at the time of the distribution (2022: 25.8%).

Taxes on Income and Capital Gains

Dutch Resident Entities

Any benefit derived or deemed to be derived from the shares held by a Dutch Resident Entity, including any capital gains realized on the disposal thereof, will generally be subject to Dutch corporate income tax at a rate of 15 percent with respect to taxable profits up to €395,000 and 25.8 percent with respect to taxable profits in excess of that amount (rates and brackets for 2022).

Dutch Resident Individuals

If a holder of shares is a Dutch Resident Individual, any benefit derived or deemed to be derived from the common shares is taxable at the progressive income tax rates (with a maximum of 49.5%, rate for 2021), if:

1. the common shares are attributable to an enterprise from which the holder of such shares derives a share of the profit, whether as an entrepreneur (ondernemer) or as a person who has a co-entitlement to the net worth (medegerechtigd tot het vermogen) of such enterprise, without being a shareholder, as defined in the Dutch Income Tax Act 2001); or

2. the holder of the common shares is considered to perform activities with respect to such shares that go beyond ordinary asset management (normaal, actief vermogensbeheer) or derives benefits from the shares that are taxable as benefits from other activities (resultaat uit overige werkzaamheden).

Taxation of savings and investments

If the above-mentioned conditions (i) and (ii) do not apply, the Dutch Resident Individual's net investment assets (rendementsgrondslag) for the year will be subject to an annual Dutch income tax on a deemed return under the regime for savings and investments (inkomen uit sparen en beleggen), insofar the Dutch Resident Individual's net investment assets for the year exceed a statutory threshold (heffingvrij vermogen). The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The common shares are included as investment assets. The deemed return on the Dutch Resident Individual's net investment assets for the year is taxed at a flat rate of 31% (rate for 2022). Actual income or capital gains realized in respect of the common shares are as such not subject to Dutch income tax.

Based on a decision of the Dutch Supreme Court (Hoge Raad) of 24 December 2021 (ECLI:NL:HR:2021:1963), the system of taxation for savings and investments based on a deemed return may under specific circumstances contravene with Section 1 of the First Protocol to the European Convention on Human Rights in combination with Section 14 of the European Convention on Human Rights. On 28 June 2022 the Dutch State Secretary of Finance has issued a decree amending the regime for taxation of savings and investments as in effect on the date hereof to comply with this Dutch Supreme Court ruling. This decree will be implement in Dutch tax law pursuant to the 'Law on the restoration of rights box 3' (Wet rechtsherstel box 3), which applies to calendar year 2022. On the basis of the decree as published on 28 June 2022 and the aforementioned new law the tax will be levied at the lowest outcome of the following two calculation methods:

Method 1. The annual taxable benefit from a Dutch Resident Individual's assets and liabilities taxed under this regime, including the common shares, is based on a deemed return (ranging from 1.82% and 5.53% in 2022) of the positive balance of the fair market value of those assets, including the common shares, and the fair market value of those liabilities.

Method 2. The annual taxable benefit from a Dutch Resident Individual's assets and liabilities taxed under this regime, including the common shares, is based on the actual allocation of the Dutch Resident Individual's assets and liabilities over the following three categories: (i) bank savings, (ii) other investments, including the common shares, and (iii) liabilities. The tax is calculated as follows:

a) a deemed return on the fair market value of the actual amount of bank savings; plus
b) a deemed return on the fair market value of the actual amount of other investments, including the common shares; minus
c) a deemed return on the fair market value of the actual amount of liabilities.

Under Method 2, the statutory threshold is divided pro-rata over the three assets and liabilities categories mentioned above. At the date hereof, the deemed returns under (i) to (iii) above have not yet been definitively published for the calendar year 2022.

Holders of common shares are advised to consult their own tax advisor to ensure that the tax is levied in accordance with the decision of the Dutch Supreme Court.

Non-residents of the Netherlands

A holder of our common shares that is neither a Dutch Resident Entity nor a Dutch Resident Individual will not be subject to Dutch taxes on income or capital gains in respect of any payment under the common shares or in respect of any gain or loss realized on the disposal or deemed disposal of the common shares, provided that:

1. such holder does not have an interest in an enterprise or a deemed enterprise (as defined in the Dutch Income Tax Act and the Dutch Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or is carried out through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the common shares are attributable; and

2. in the event such holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the common shares that go beyond ordinary asset management (normaal, actief vermogensbeheer) and does not derive benefits from the common shares that are taxable as benefits from other activities in the Netherlands (resultaat uit overige werkzaamheden).

Gift and Inheritance Tax

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the common shares by way of a gift by, or on the death of, a holder of our common shares who is resident or deemed to be resident in the Netherlands at the time of the gift or such holder’s death.

Non-residents of the Netherlands

No Dutch gift or inheritance taxes will arise on the transfer of our common shares by way of gift by, or on the death of, a holder of the common shares who is neither resident nor deemed to be resident in the Netherlands, unless in the case of a gift of shares by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

For purposes of Dutch gift and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his/her death. Additionally, for purposes of Dutch gift tax, amongst others, a person not holding the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Furthermore, for purposes of Netherlands gift and inheritance tax, a gift that is made under a condition precedent is deemed to have been made at the moment such condition precedent is satisfied. If the condition precedent is fulfilled after the death of the donor, the gift is deemed to be made upon the death of the donor.

Other Taxes and Duties

No Dutch value added tax and no Dutch registration tax, stamp duty or any other similar documentary tax or duty will be payable by a holder of our common shares on any payment in consideration for the holding or disposal of the common shares.

Exhibit 99.4

InflaRx Reports Third Quarter 2022

Financial & Operating Results

- Vilobelimab earns Orphan Drug and Fast Track designation for the treatment of critically ill, intubated, mechanically ventilated COVID-19 patients - Emergency Use Authorization (EUA) submitted to U.S. Food and Drug Administration (FDA)
- PANAMO Phase III study results in severe COVID-19 published in peer-reviewed journal, The Lancet Respiratory Medicine
- Fast Track designation granted for the treatment of pyoderma gangrenosum by FDA
- Cash, cash equivalents and marketable securities of €93.2 million, expected to finance operations at least until year-end 2024

Jena, Germany, November 9, 2022 – InflaRx N.V. (Nasdaq: IFRX), a clinical-stage biopharmaceutical company developing anti-inflammatory therapeutics by targeting the complement system, announced today financial and operating results for the three and nine months ended September 30, 2022.

“In the past three months, we have made important progress with our lead product candidate, vilobelimab, and are excited about the promise this antibody holds in providing hope to patients with life-threatening acute illness as well as those with chronic, debilitating diseases,” said Prof. Niels C. Riedemann, Chief Executive Officer and Founder of InflaRx. “In late September, following encouraging interactions with the U.S. FDA, we applied for Emergency Use Authorization for the treatment of critically ill, invasively mechanically ventilated COVID-19 patients. We were also pleased that the results from our PANAMO Phase III study in these COVID-19 patients were published in one of the top peer-reviewed journals in the field, concluding on the robust survival benefit these data demonstrated.”

Dr. Riedemann continued: “Beyond this, we made important advances we made during the quarter in other development programs. We were granted Fast Track designation for vilobelimab for the treatment of ulcerative pyoderma gangrenosum, a serious neutrophilic skin disease with high unmet medical need, and preparations are underway for a Phase III clinical program. In addition, we expect to initiate clinical trials with a second program, INF904, an orally available C5a receptor inhibitor, before the end of this year. We are excited about the progress in the different development areas and will continue to move our programs forward in the months ahead.”

Recent Corporate and R&D Highlights

Development of Vilobelimab in Pyoderma Gangrenosum (PG):

InflaRx recently reported that vilobelimab was granted Fast Track designation for the treatment of ulcerative PG by the FDA. Previously vilobelimab had been granted Orphan Drug designation by both the FDA in the US and the European Medicines Agency (EMA) for the treatment of ulcerative PG. Following a productive End-of-Phase II meeting with the FDA in Q3 2022, InflaRx is moving forward with plans for a Phase III clinical development program in this indication.

Development of Vilobelimab in Severe COVID-19:

InflaRx recently announced that it submitted a request for EUA following encouraging interactions with the FDA at a previously held Type B meeting. InflaRx also received Fast Track designation from the FDA for the development of vilobelimab for the treatment of critically ill, intubated, mechanically ventilated COVID-19 patients. The EUA submission and Fast Track designation are based on the topline results from the PANAMO Phase III study, an international, double-blind, placebo-controlled, randomized clinical trial investigating vilobelimab in invasively mechanically ventilated COVID-19 patients. The results from the PANAMO trial were recently published in the peer-reviewed journal, The Lancet Respiratory Medicine, which included an in-depth statistical analysis supporting the robustness of the observed clinical survival benefit in the study.

Development of Vilobelimab in Cutaneous Squamous Cell Carcinoma (cSCC):

InflaRx has ongoing an open-label, multicenter Phase II study evaluating vilobelimab alone and in combination with pembrolizumab in patients with programmed cell death protein 1 (PD-1) or programmed cell death ligand 1 (PD-L1) inhibitor resistant/refractory, locally advanced or metastatic cSCC. To date, InflaRx has recruited nine patients in Arm A of this study (vilobelimab alone). The interim analysis in Arm A required to proceed to the second stage is expected to be available after ten patients are evaluable for response assessment. Interim clinical data from Arm A are expected in the first half of 2023.

Arm B of this study (vilobelimab plus pembrolizumab) has enrolled twelve patients so far in three dose groups. The interim analysis of Arm B is expected once ten patients treated at the same dose level recommended by the independent Steering Committee to move forward with the trial are evaluable for response assessment. These data, which are required to move to the second stage of the Phase II trial, are expected to be available in the second half of 2023.

INF904 – Small Molecule C5aR Inhibitor:

InflaRx is on track to initiate a Phase I program in the second half of 2022 and plans to study INF904 in complement-mediated, chronic autoimmune and inflammatory diseases where oral administration is the preferred choice for patients.

Financial Highlights – Q3 2022

Dr. Thomas Taapken, Chief Financial Officer of InflaRx, said: "Our cash position improved compared to the end of the third quarter, mainly due to cash inflows from a grant from the German government and especially through the strengthening of the US Dollar against the EURO. With a cash runway at least until year-end 2024, we are well financed to build on the significant advances we have made with our clinical programs and to follow through with the next steps, pending feedback from regulatory authorities, in developing vilobelimab both for severe COVID-19 and pyoderma gangrenosum as well as in moving our earlier-stage programs forward."

Research and Development Expenses

Research and development expenses incurred for the nine months ended September 30, 2022 increased compared to the corresponding period in 2021 by €3.6 million to €29.2 million. This increase was primarily due to higher expenses for the Phase III part of the COVID-19 trial as well as costs for manufacturing development activities and was driven by an overall increase in third-party expenses of €1.9 million.

General and Administrative Expenses

General and administrative expenses increased by €2.7 million to €11.8 million for the nine months ended September 30, 2022, from €9.1 million for the nine months ended September 30, 2021. This increase is primarily attributable to higher expenses associated with equity-settled share-based compensation recognized in personnel expenses. Furthermore, legal, consulting and other expenses increased by €2.0 million to €5.9 million for the six months ended June 30, 2022, from €3.9 million, mainly due to consulting, implementation and testing costs of the internal control over financial reporting (ICFR) environment.

Other income

Other income for the nine months ended September 30, 2022 was €16.5 million, which is primarily attributable to income recognized from grant payments received from the German federal government for the development of vilobelimab in severe COVID-19 patients, including expenses related to clinical development and manufacturing process development,

Net Financial Result

Net financial result increased by €1.4 million to €3.1 million for the nine months ended September 30, 2022, from €1.7 million for the nine months ended September 30, 2021. This increase is mainly attributable to the strengthening of the USD to EUR during 2022.

Net Loss

Net loss for the nine months ended September 30, 2022 was €21.5 million, compared to €33.0 million for the nine months ended September 30, 2021.

Net Cash Used in Operating Activities

Net cash used in operating activities increased by €0.3 million to €28.5 million for the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021, during which net cash used in operating activities was €28.2 million.

Cash, Cash Equivalents and Marketable Securities

On September 30, 2022, the Company's total funds available were approximately €93.2 million, composed of cash and cash equivalents of €18.0 million and marketable securities of €75.2 million. These funds are expected to finance operations at least until year-end 2024.

Additional information regarding these results and other relevant information is included in the notes to the unaudited interim condensed consolidated financial statements as of September 30, 2022, and the three and nine months ended September 30, 2022 and 2021, as well as the consolidated financial statements as of and for the year ended December 31, 2021 in "ITEM 18. Financial Statements," in InflaRx's Annual Report on Form 20-F for the year ended December 31, 2021, as filed with the U.S. Securities and Exchange Commission (SEC).

InflaRx N.V. and subsidiaries

Unaudited Condensed Consolidated Statements of Operations and Comprehensive Loss for the three and nine months ended September 30, 2022 and 2021

(in €, except for share data)	For the three months ended September 30, 2022 (unaudited)	2021 (unaudited)	For the nine months ended September 30, 2022 (unaudited)	2021 (unaudited)
Operating Expenses				
Research and development expenses	(7,537,350)	(9,359,850)	(29,190,231)	(25,566,005)
General and administrative expenses	(3,087,285)	(3,395,606)	(11,821,694)	(9,115,783)
Total Operating Expenses	(10,624,636)	(12,755,456)	(41,011,925)	(34,681,788)
Other income	2,030,406	22,850	16,473,540	43,529
Other expenses	—	—	(844)	(844)
Operating Result	(8,594,230)	(12,732,606)	(24,539,229)	(34,639,103)
Finance income	199,758	27,380	310,121	85,964
Finance expenses	(6,845)	(9,527)	(39,376)	(16,261)
Foreign exchange result	882,370	715,799	3,173,883	1,621,165
Other financial result	(402,724)	(56,000)	(363,724)	(13,000)
Income Taxes	—	—	—	—
Income (Loss) for the Period	(7,921,671)	(12,054,955)	(21,458,325)	(32,961,235)
Share Information				
Weighted average number of shares outstanding	44,203,763	44,186,279	44,203,763	40,740,353
Income (Loss) per share (basic/diluted)	(0.18)	(0.27)	(0.49)	(0.81)
Loss for the Period	(7,921,671)	(12,054,955)	(21,458,325)	(32,961,235)
Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign currency	4,317,134	2,536,278	10,035,949	4,613,675
Total Comprehensive Income (Loss)	(3,604,538)	(9,518,677)	(11,422,376)	(28,347,560)

InflaRx N.V. and subsidiaries

Unaudited Condensed Consolidated Statements of Financial Position as of September 30, 2022 and December 31, 2021

in €	September 30, 2022 (unaudited)	December 31, 2021
ASSETS		
Non-current assets		
Property and equipment	218,148	274,373
Right-of-use assets	1,414,504	1,408,078
Intangible assets	162,963	235,216
Other assets	350,570	336,566
Financial assets	237,702	27,206,990
Total non-current assets	2,383,887	29,461,224
Current assets		
Current other assets	7,574,507	10,983,458
Current tax assets	1,589,924	1,282,177
Financial assets from government grants	5,954,754	—
Other financial assets	75,636,548	57,162,266
Cash and cash equivalents	17,978,003	26,249,995
Total current assets	108,733,737	95,677,896
TOTAL ASSETS	111,117,624	125,139,120
EQUITY AND LIABILITIES		
Equity		
Issued capital	5,304,452	5,304,452
Share premium	280,310,744	280,310,744
Other capital reserves	36,172,229	30,591,209
Accumulated deficit	(235,434,004)	(213,975,679)
Other components of equity	13,086,220	3,050,270
Total equity	99,439,640	105,280,996
Non-current liabilities		
Lease liabilities	1,080,005	1,066,354
Other liabilities	39,879	35,019
Total non-current liabilities	1,119,884	1,101,373
Current liabilities		
Trade and other payables	7,438,427	8,574,244
Liabilities from government grants received	1,450,585	8,300,000
Lease liabilities	374,533	366,171
Employee benefits	1,151,288	1,378,130
Other financial liabilities	143,266	138,206
Total current liabilities	10,558,100	18,756,751
Total Liabilities	11,677,984	19,858,124
TOTAL EQUITY AND LIABILITIES	111,117,624	125,139,120

InflaRx N.V. and subsidiaries

Unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity for the nine months ended September 30, 2022 and 2021

(in €, except for share data)	Issued capital	Share premium	Other capital reserves	Accumulated deficit	Other components of equity	Total equity
Balance as of January 1, 2022	5,304,452	280,310,744	30,591,209	(213,975,679)	3,050,271	105,280,996
Loss for the period	—	—	—	(21,458,325)	—	(21,458,325)
Exchange differences on translation of foreign currency	—	—	—	—	10,035,949	10,035,949
Total comprehensive loss	—	—	—	(21,458,325)	10,035,949	(11,422,376)
Equity-settled share-based payment	—	—	5,581,021	—	—	5,581,021
Balance as of September 30, 2022	5,304,452	280,310,744	36,172,229	(235,434,004)	13,086,220	99,439,640
Balance as of January 1, 2021	3,387,410	220,289,876	26,259,004	(168,345,620)	(3,726,790)	77,863,880
Loss for the period	—	—	—	(32,961,235)	—	(32,961,235)
Exchange differences on translation of foreign currency	—	—	—	—	4,613,675	4,613,675
Total comprehensive loss	—	—	—	(32,961,235)	4,613,675	(28,347,560)
Issuance of common shares and warrants	1,873,203	63,269,346	—	—	—	65,142,549
Transaction costs	—	(4,219,222)	—	—	—	(4,219,222)
Equity-settled share-based payment	—	—	3,823,592	—	—	3,823,592
Share options exercised	41,741	921,994	—	—	—	963,735
Balance as of September 30, 2021	5,302,354	280,261,994	30,082,596	(201,306,855)	886,884	115,226,973

InflaRx N.V. and subsidiaries

Unaudited Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2022 and 2021

in €	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Operating activities		
Loss for the period	(21,458,325)	(32,961,235)
Adjustments for:		
Depreciation & amortization of property and equipment, right-of-use assets and intangible assets	448,323	502,605
Net financial result	(3,080,904)	(1,677,868)
Share-based payment expense	5,581,021	3,823,592
Net foreign exchange differences	189,088	(3,185)
Changes in:		
Financial assets from government grants	(5,954,754)	-
Other assets	3,087,177	(1,159,960)
Employee benefits	(221,982)	(438,436)
Other liabilities	5,061	12,130
Liabilities from government grants	(6,849,415)	-
Trade and other payables	(1,135,817)	3,259,223
Interest received	903,647	443,531
Interest paid	(38,978)	(15,072)
Net cash used in operating activities	(28,525,857)	(28,214,674)
Investing activities		
Purchase of intangible assets, property and equipment	(17,908)	(21,691)
Purchase of current financial assets	(47,031,216)	(40,512,715)
Proceeds from the maturity of financial assets	64,600,049	48,250,724
Net cash from investing activities	17,550,925	7,716,318
Financing activities		
Proceeds from issuance of common shares	—	65,142,549
Transaction costs from issuance of common shares	—	(4,219,222)
Proceeds from exercise of share options	—	963,735
Repayment of lease liabilities	(273,092)	(271,608)
Net cash from (used in) financing activities	(273,092)	61,615,454
Net decrease/increase in cash and cash equivalents	(11,248,024)	41,117,098
Effect of exchange rate changes on cash and cash equivalents	2,976,033	2,881,645
Cash and cash equivalents at beginning of period	26,249,995	25,968,681
Cash and cash equivalents at end of period	17,978,003	69,967,424

About InflaRx N.V.:

InflaRx (Nasdaq: IFRX) is a clinical-stage biopharmaceutical company focused on applying its proprietary anti-C5a and C5aR technologies to discover and develop first-in-class or best-in-class, potent and specific inhibitors of the complement activation factor known as C5a and its receptor known as C5aR. Complement C5a and its receptor C5aR are powerful inflammatory mediators involved in the progression of a wide variety of autoimmune and other inflammatory diseases. InflaRx was founded in 2007, and the group has offices and subsidiaries in Jena and Munich, Germany, as well as Ann Arbor, MI, USA. For further information, please visit www.inflarx.de.

The COVID-19 related work is partly funded by the German federal government through grant number 16LW0113 (VILO-COVID). All responsibility for the content of this work lies with InflaRx.

Contacts:

InflaRx N.V.

e-mail: IR@inflarx.de

MC Services AG

Katja Arnold, Laurie Doyle, Dr. Regina Lutz
e-mail: inflarx@mc-services.eu
Europe: +49 89-210 2280
US: +1-339-832-0752

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. All statements other than statements of historical fact are forward-looking statements, which are often indicated by terms such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “believe,” “estimate,” “predict,” “potential” or “continue” and similar expressions. Forward-looking statements appear in a number of places throughout this release and may include statements regarding InflaRx’s intentions, beliefs, projections, outlook, analyses and current expectations concerning, among other things, the Company’s ongoing and planned pre-clinical development and clinical trials, including the development of vilobelimab in several indications, including in pyoderma gangrenosum (PG) and severe COVID-19; the Company’s interactions with regulators regarding the results of clinical trials and potential regulatory approval pathways; the impact of the COVID-19 pandemic on the Company; the timing and its ability to commence and conduct clinical trials; potential results from current or potential future collaborations; its ability to make regulatory filings, obtain positive guidance from regulators, and obtain and maintain regulatory approvals for its product candidates; its intellectual property position; its ability to develop commercial functions; expectations regarding clinical trial data; decisions regarding the strategic direction of the Company; its results of operations, cash needs, financial condition, liquidity, prospects, future transactions, growth and strategies; the industry in which the Company operates; the trends that may affect the industry or the Company’s business; and the risks, uncertainties and other factors described under the heading “Risk Factors” in InflaRx’s periodic filings with the SEC. These statements speak only as of the date of this press release and involve known and unknown risks, uncertainties and other important factors that may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements, and InflaRx assumes no obligation to update these forward-looking statements, even if new information becomes available in the future, except as required by law.