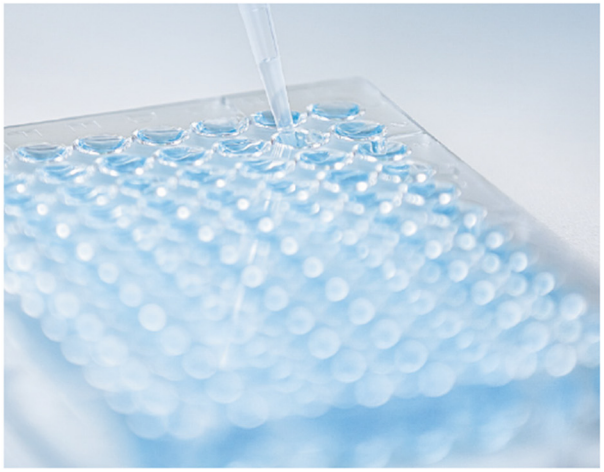
Biotest

From Nature for Life

QUARTERLY STATEMENT AS OF 31 MARCH 2021



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BUSINESS PERFORMANCE

A. AT A GLANCE

The Biotest Group recorded revenue of € 120.0 million in the first quarter of 2021. This represents an increase of 22.8 % compared to revenue of € 97.7 million in the same period of the previous year.

EBIT at Group level amounted to € -9.3 million in the first three months of financial year 2021 (same period of the previous year: € 1.4 million).

In terms of revenue, Biotest closed a strong first quarter, which was characterised by a worldwide increase in demand for immunoglobulins while the pandemic situation remained difficult. In particular, sales of Intratect®, Biotest's standard immunoglobulin, were significantly higher than in the previous year. Furthermore, sales of other products, such as Haemoctin® and Albumin, were also higher compared to the first quarter of 2020.

The continuous expansion of the Company's own plasma collection network in Europe is one component of Biotest's strategy. This is intended to ensure a sufficient supply of human blood plasma, the most important raw material for Biotest's preparations. No new collection centres were opened in financial year 2020 due to the corona pandemic. In contrast, the opening of additional plasma collection centres is planned for 2021.

Furthermore, Biotest is participating financially in the establishment of further plasma centres together with partners. A contract on providing support for the founding of four collection centres was signed in January 2021, for example.

In February 2021, Biotest AG received the certificates for research and development grants. These certificates allow for a research allowance of up to € 1.0 million to be applied for annually from the tax office for the years beginning in 2020.

The next partial acceptance inspection was carried out by the Darmstadt Regional Council in March 2021 in the Biotest Next Level expansion project, as part of the granting of the manufacturing authorisation in accordance with Section 13 of the German Medicinal Products Act. The focus of this inspection was on computer system validation and data management. The inspection was completed without any deficiencies.

Earnings position

The Biotest Group generated revenue of € 120.0 million in the first three months of 2021 after € 97.7 million in the same period of the previous year. A significant increase in revenue was recorded in all three segments. The sharp increase in

sales volume driven by higher demand for Biotest's important products like Intratect® and Humanalbumin® was the main reason for the 22.6 % growth in the Therapy segment. In Plasma & Services, the 19.3 % increase was due to higher toll manufacturing. In the Other Segments segment, an increase of about € 0.9 million was recorded compared to the same quarter of the previous year, primarily due to higher revenue from merchandise.

REVENUE BY SEGMENT

in € million	Q1 2021	Q1 2020	Change in %
Therapy	103.8	84.7	22.6
Plasma & Services	14.0	11.7	19.3
Other Segments	2.2	1.3	66.9
Biotest Group	**120.0**	**97.7**	**22.8**

At the level of each individual sales region, Biotest also recorded an increase in revenue in the first quarter of 2021 compared to the previous period. Growth was particularly strong in the Eastern and Southern Europe region, where sales more than doubled compared to the first quarter of 2020. This positive development was due to strong sales in Turkey, among other factors. In terms of absolute turnover figures, the Central Europe region made the largest contribution, as in the previous period.

REVENUE BY REGION

in € million	Q1 2021	Q1 2020	Change in %
Central Europe	45.0	44.1	2.0
Eastern and Southern Europe	33.0	15.6	111.7
Intercontinental	17.1	16.4	4.5
Middle East, Africa and France	24.8	21.6	14.8
Biotest Group	**120.0**	**97.7**	**22,8**

EBIT for the first quarter of 2021 amounted to € -9.3 million and was thus significantly below the previous period's figure (same period of the previous year: € 1.4 million). In the current year, this includes expenses for the Biotest Next Level project in the amount of -€ 18.5 million (same period of the previous year: -€ 18.4 million). In the previous year, a one-time compensation payment of € 5.0 million from an out-of-court settlement with a former supplier was recognised as other operating income. The decrease in EBIT compared to the first quarter of 2020 is mainly due to a lower gross profit. The increase in the cost of sales ratio resulted primarily from higher prices for plasma, higher purchasing prices for consumables and supplies as well as a low-margin country and product mix in comparison to the previous period. Additional expenses were incurred in particular in connection with the COVID-19 pandemic. Furthermore, cost of sales went up from € 8.6 million in the previous period to € 9.4 million in the reporting period in the course of the ramp-up phase of the new Biotest Next Level production facility. Therefore, the EBIT margin for the first three months of the current financial year was -7.8 % after 1.4 % in the same period of the previous year. In the Plasma & Services segment, positive EBIT of € 2.5 million was achieved in the first quarter of 2021 due to € 2.3 million higher sales revenue and one-off effects. In the Therapy segment, EBIT was in negative range due to higher cost of sales. EBIT for Other Segments improved by about € 0.4 million compared to the same period of the previous year, but also remained negative due to increased purchase and administrative costs.

EBIT BY SEGMENT

in € million	Q1 2021	Q1 2020	Change in %
Therapy	–11.2	2.7	<-100
Plasma & Services	2.5	–0.3	<-100
Other Segments	–0.6	–1.0	–43
Biotest Group	**–9.3**	**1.4**	**<-100**

The financial result for the first quarter of the current year improved to € -5.1 million (same period of the previous year: € -11.1 million). This was mainly due to lower expenses from the fair value adjustments of surrender claim against trustee from shares in ADMA Biologics Inc. and from foreign currency measurement compared to the previous period.

In light of the influencing factors described above, the Biotest Group's earnings after taxes for the first quarter of 2021 fell to € -14.1 million after € -10.8 million in the same quarter of the previous year. This results in earnings per ordinary share of € -0.37 after € -0.28 in the same period of the previous year.

Asset position

Total assets of the Biotest Group increased slightly from € 1,131.3 million as of 31 December 2020 to € 1,134.8 million as of 31 March 2021. Non-current assets amounted to € 574.2 million as of the balance sheet date and were thus virtually unchanged compared to the balance sheet value at the end of 2020 (31 December 2020: € 575.0 million). Current assets increased by € 4.3 million compared to 31 December 2020. Inventories were expanded to secure the sales planned for the coming months and went up by € 11.7 million. Trade receivables rose by € 6.6 million compared to the end of 2020. Cash and cash equivalents, on the other hand, decreased by € 16.3 million to € 55.0 million in the first quarter of 2021.

On the liabilities side, equity amounted to € 427.7 million as of the reporting date of 31 March 2021 (31 December 2020: € 441.6 million). The decline is attributable to the negative result in the reporting period. The equity ratio was 37.7 % at the end of the first three months of the financial year (31 December 2020: 39.0 %). Total liabilities rose by € 17.4 million to € 707.1 million in the year to date. Non-current liabilities increased by € 1.9 million to € 586.0 million since 31 December 2020, mainly due to a slight increase in non-current financial liabilities and pension provisions. Current liabilities increased by € 15.5 million to € 121.1 million as of 31 March 2021. This was due to an increase in other provisions, trade payables and other liabilities each in the single-digit million euro range.

Financial Position

The Biotest Group incurred operating cash flow of € -15.4 million in the first three months of 2021, primarily due to changes in working capital of € -10.4 million. Operating cash flow amounted to € -10.5 million in the same period of the previous year. Cash flow from investing activities totaled € -4.3 million in the period from January to March 2021 (same period of the previous year: € -3.9 million). The slight increase was caused, among other developments, by payments for investments in fixed assets. Cash flow from financing activities was at € 3.4 million for the first three months of 2021 (previous year: € -2.2 million). This development was mainly due to cash deposits repayment for guarantees issued, which were partially offset by payments for the redemption portion of lease liabilities in accordance with IFRS 16. Biotest is financed by a subordinated shareholder loan of € 290 million and a € 240 million financing facility concluded in 2019, of which € 100 million has been drawn as of 31 March 2021. Thus, as of 31 March 2021 credit lines in amount of € 140 million remain unused.

Situation with regard to the COVID-19 pandemic

During the first quarter of 2021 and at the time of publication of this quarterly statement, the effects of the COVID-19 pandemic continued to shape the economic and social environment of the Biotest Group. Despite the vaccination programmes initiated in many countries at the turn of 2020/2021, there is still a high degree of uncertainty regarding the future course of the COVID-19 pandemic. Among other reasons, this is due to the occurrence of virus mutations.

Over the past year, Biotest has rapidly and effectively implemented measures to maintain business operations while providing the best possible health protection for our employees. These measures – for example increased working from home and the tightening of hygiene and safety precautions, which are already strict in the pharmaceutical sector – continue to apply. Furthermore, COVID-19 rapid tests have been offered to our employees twice a week since March 2021. The Biotest Group's business operations have continued with a few restrictions at or above the respective previous year's level since the beginning of the pandemic. Nevertheless, it cannot be ruled out that a worsening of the COVID-19 pandemic could have a negative impact on the Biotest Group's business performance.

The safety of the Biotest preparations and the patients treated with them is ensured.

In February 2021, Biotest became the first plasma protein manufacturer in Germany to complete production of the first batch of a hyperimmunoglobulin preparation against COVID-19 based on hyperimmune plasma from recovered patients. An industry-wide collaboration organized in the CoVig-19 plasma alliance was terminated however as the underlying clinical trial (ITAC study) failed to demonstrate the intended efficacy.

Detailed information on the impact of the COVID-19 pandemic on the Biotest Group is provided in the 2020 Annual Report in a separate section of chapter A.I Business Model of the Group, subchapter F. External Factors Influencing the Business.

For research activities regarding therapeutic approaches for COVID-19 patients, please refer to the chapter Research and Development in the 2020 Annual Report and the following Section B of this Quarterly Statement.

B. RESEARCH AND DEVELOPMENT

At € 12.7 million, research and development costs in the first three months of financial year 2021 increased slightly by 2.1 % compared to previous year's € 12.4 million. A complete list of all research and development projects is provided in the 2020 Annual Report (page 19).

Biotest was able to make further progress in the following research and development projects in the period from January to March 2021:

RESEARCH & DEVELOPMENT PROGRESS IN THE FIRST THREE MONTHS OF 2021

Therapeutic area Intensive Care Medicine	
Fibrinogen	Phase III trial accelerated with additional patient group: The first patient with pseudomyxoma peritonei (PMP) has been treated as part of the ongoing phase III trial for the treatment of severe bleeding in the case of acquired fibrinogen deficiency (AdFIrst study no. 995).
Anti-SARS-CoV-2 hyperimmunoglobulin	The study was terminated. The CoVIg-19 Plasma Alliance was disbanded after the primary endpoint was not met. Biotest initially suspended the programme to develop a COVID-19 hyperimmunoglobulin to await data from parallel studies in which patients were treated with a COVID-19 hyperimmunoglobulin earlier in the course of the disease.
Pentaglobin®	In a study arm of the ACOVACT trial, the treatment of patients with severe COVID-19 with Pentaglobin® has been started. ACOVACT (Austrian CoronaVirus Adaptive Clinical Trial) is a multicentre, randomised, controlled, open-label platform trial initiated by the University Hospital AKH Vienna to study various antiviral and adjunctive therapies for COVID-19 patients.
Trimodulin (IgM Concentrate)	Phase II (ESsCOVID) trial in severe COVID-19 disease. Recruitment is proceeding according to plan.

Research activities with regard to the therapy of a COVID-19 infection

Biotest sees considerable potential for trimodulin in patients with severe pneumonia caused by a COVID-19 infection due to the high similarity of the clinical picture to the patients treated in the CIGMA study. The CIGMA study, which has already been completed, was a large-scale phase II study in artificially ventilated patients with severe community-acquired pneumonia (sCAP). This group of diseases includes pneumonia caused by the current coronavirus in critically ill patients. Trimodulin is administered as an adjunct to standard therapy, such as antiviral or antibiotic therapy, and intensive care. A relative mortality reduction of 50-70 % was observed in the CIGMA trial in a subgroup of patients with high inflammatory markers or reduced immune function.

Such changes also occur in COVID-19 patients severely affected by the disease. Therefore, a phase II trial (ESsCOVID – Escape from severe COVID-19) was initiated involving COVID-19 patients to accelerate the development of trimodulin in light of the current COVID-19 pandemic. Plans for accelerated development have been discussed with the regulatory authorities in Europe. The study design has been submitted to the relevant authorities and ethics committees in Spain, Brazil, Russia and France and been approved. Recruitment is ongoing according to plan. More than 120 of the 164 patients planned have now been recruited. In parallel, Biotest is expanding its planned phase III trial in sCAP to include COVID-19 patients.

Biotest has currently suspended its work on a new drug against COVID-19 based on hyperimmune plasma. The drug is based on plasma donations from donors previously recovered from COVID-19 with antibodies against the virus. The donations with the highest number of antibodies are processed in a production pool to create a new hyperimmune globulin against COVID-19. This drug could then be used therapeutically to treat COVID-19. As part of these efforts, Biotest had entered into an industry-wide cooperation as part of the CoVIg-19 Plasma Alliance with the companies CSL Behring, LFB, Octapharma and Takeda, among others. As part of these activities, Biotest was the first plasma protein manufacturer in Germany to complete production of the first batch of this hyperimmunoglobulin preparation against COVID-19 in February 2021. However, the clinical trial did not meet the primary endpoint, whereupon the alliance was discontinued. Biotest then suspended its development programme in order to first await data from parallel clinical trials in patients treated earlier in the disease course with other hyperimmunoglobulin preparations.

C. MARKETING AND DISTRIBUTION

The first quarter of 2021 was characterised by rising global demand for immunoglobulins (IVIGs) accompanied by rising prices. Some markets are already reporting supply problems with immunoglobulins (IgGs), and there are signs in many other countries that there will be a product shortage in the coming months. This is due to the significant decline in plasma donations in 2020, especially in the USA, the supply situation of Biotest's competitors and the continuing increase in demand for immunoglobulins (IgG).

With regard to marketing initiatives for individual Biotest preparations, for Pentaglobin® the treatment of certain COVID-19 patients is in the focus of various digital marketing activities.

In Germany as third largest market for albumin as well as in Turkey, business with albumin continued to expand. Business in Asia was also above the previous year's level due to demand from China and Vietnam.

High Albumin stocks worldwide are currently continuing to lead to falling prices. Due to the collapse in the supply of plasma in the USA since March 2020, a temporary undersupply of albumin in the market is expected from the fourth quarter of 2021 on.

In Germany, the new transfer system NEXTARO was successfully launched for Haemoctin® and has met with a positive response from customers. The launch of Haemoctin® with a solvent volume reduced by half followed in Switzerland after Germany and is being pursued further. Both projects support the customer-focused strategy in the region. A symposium with renowned speakers was held at the annual conference of the Society for Thrombosis and Haemostasis Research (GTH). Overall, these activities led to a positive result and the Central Europe region was able to increase the entire haematology and haemophilia portfolio by 14 % in the first quarter compared to the previous year.

MARKETING & DISTRIBUTION PROGRESS
IN THE FIRST THREE MONTHS OF 2021

Therapeutic area Clinical Immunology	
Hepatect® CP	Tenders were won in Algeria and Iraq. The volume of tenders won in Iraq was increased.
Intratect®	Volume increases in important markets in Central Europe as well as Turkey. Special import licence for Intratect 50 g/l and 100 g/l in France.
Therapeutic area Haematology	
Haemoctin®	Extension of the FVIII contract for substantial volumes in Algeria. Significant increase in sales in Turkey.
Haemonine®	Significant increase in revenue in Germany.
Therapeutic area Intensive Care Medicine	
Pentaglobin®	The use of Pentaglobin® in COVID-19 patients has generated further experience and revenue in a new therapeutic area in Germany, Austria and Italy.
Albiomin®	Albiomin 5 %: New approval in Iran.

D. OUTLOOK, RISK AND OPPORTUNITIES REPORT

I. OUTLOOK REPORT

The Biotest Group's outlook has not changed significantly since its presentation in the 2020 Annual Report (pages 24 to 27). As described there, the Board of Management expects, among other developments, an increase in revenue in the mid-single-digit percentage range and EBIT of € -5 million to -10 million for financial year 2021. For the coming quarters, Biotest expects an improved product/country mix with respect to sales as well as increasing average prices for immunoglobulins. The forecast for financial year 2021 was made on the assumption that the spread of the coronavirus will not have any significant negative impact on the Biotest Group's business performance. However, the high level of uncertainty currently prevailing with regard to the further spread of the coronavirus or its mutations and any economic consequences limit the certainty of the planning assumptions.

II. RISK REPORT

The risk situation of the Biotest Group has not changed significantly since it was presented in the 2020 Annual Report (pages 27 to 36). This also applies to the assessment of risks in connection with pandemics/epidemics (page 35 in the 2020 Annual Report) and plasma procurement.

The high level of uncertainty regarding the further spread of the coronavirus will continue in the period after the reporting date until the preparation of the quarterly financial statements for the first quarter of 2021. Possible economic consequences cannot yet be conclusively assessed at the time of the preparation of the quarterly financial statements. Should the spread of the coronavirus continue permanently, this could have a negative impact on the willingness of the population to donate plasma or the health and ability of employees to work, for example. In addition, business activities in the regions affected by a pandemic could degrade and thus have an adverse effect on the assets position, financial position and earnings position.

Beyond this, there are still no identifiable risks that could jeopardise the Biotest Group's ability to continue as a going concern.

III. OPPORTUNITIES REPORT

The opportunities situation of the Biotest Group has not changed significantly compared to the information presented in the 2020 Annual Report (pages 36 and 37).

E. SUPPLEMENTARY REPORT

In April 2021, Biotest drew down a further tranche of € 25.0 million from the financing with a total volume of € 240.0 million.

Biotest has received the operating license for the tenth plasmapheresis centre in Hungary from the Hungarian health authority. The centre is located in Szombathely and is one of the most modern in Europe. The company is thus further increasing its plasma collection capacities.

CONSOLIDATED STATEMENT OF INCOME

of the Biotest Group for the period from 1 January to 31 March 2021

in € million	**Q1 2021**	Q1 2020*
Revenue	120.0	97.7
Cost of sales	–97.0	–69.2
Gross profit	**23.0**	**28.5**
Other operating income**	0.8	5.8
Marketing and distribution costs	–11.7	–11.5
Administrative expenses	–7.9	–7.9
Research and development costs	–12.7	–12.4
Other operating expenses**	–0.8	–1.1
Operating profit	**–9.3**	**1.4**
Financial income***	2.0	2.1
Financial expenses***	–7.1	–13.2
Financial result	**–5.1**	**–11.1**
Earnings before taxes	**–14.4**	**–9.7**
Income taxes	0.3	–1.1
Earnings after taxes	**–14.1**	**–10.8**
Attributable to:		
Equity holders of the parent	–14.1	–10.8
Earnings per share in €	**-0,37**	**-0,28**

* Adjusted

** Other operating income and expenses include the change in impairments on financial assets measured at amortized cost. In accordance with IAS 8, the prior-year figures have been adjusted accordingly.

*** Financial income and financial expenses include the valuation adjustments of financial instruments measured at fair value. In accordance with IAS 8, the prior-year figures have been adjusted accordingly.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of the Biotest Group as of 31 March 2021

in € million	31 March 2021	31 December 2020
ASSETS		
Non-current assets		
Intangible assets	13.7	14.0
Property, plant and equipment	520.6	522.2
Right-of-use assets	26.6	26.1
Investments in joint ventures	2.6	2.6
Other assets	0.3	0.4
Other financial assets	0.2	0.2
Deferred tax assets	10.2	9.5
Total non-current assets	**574.2**	**575.0**
Current assets		
Inventories	301.8	290.1
Contract assets	47.4	46.3
Trade receivables	122.4	115.8
Current income tax assets	2.0	2.1
Other assets	18.7	11.5
Other financial assets	13.3	19.3
Cash and cash equivalents	55.0	71.3
Total current assets	**560.6**	**556.3**
Total assets	**1,134.8**	**1,131.3**
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	39.6	39.6
Share premium	219.8	219.8
Retained earnings	182.4	213.6
Share of profit or loss attributable to equity holders of the parent	–14.1	–31.4
Equity attributable to equity holders of the parent	**427.7**	**441.6**
Total equity	**427.7**	**441.6**
Non-current liabilities		
Provisions for pensions and similar obligations	118.7	117.5
Other provisions	2.4	2.8
Financial liabilities	463.7	462.5
Other liabilities	0.0	0.1
Deferred tax liabilities	1.2	1.2
Total non-current liabilities	**586.0**	**584.1**
Current liabilities		
Other provisions	27.4	24.2
Current income tax liabilities	0.5	1.2
Financial liabilities	8.5	7.9
Trade payables	49.3	42.0
Other liabilities	35.4	30.3
Total current liabilities	**121.1**	**105.6**
Total liabilities	**707.1**	**689.7**
Total equity and liabilities	**1,134.8**	**1,131.3**

CONSOLIDATED CASH FLOW STATEMENT

of the Biotest Group for the period from 1 January to 31 March 2021

in € million	Q1 2021	Q1 2020
Operating cash flow before changes in working capital	–1.1	7.4
Cash flow from changes in working capital	–10.4	–15.7
Interest and taxes paid	–3.9	–2.2
Cash flow from operating activities	**–15.4**	**–10.5**
Cash flow from investing activities	**–4.3**	**–3.9**
Cash flow from financing activities	**3.4**	**–2.2**
Cash changes in cash and cash equivalents	**–16.3**	**–16.6**
Exchange rate-related changes in cash and cash equivalents	–	–0.2
Cash and cash equivalents on 1 January	71.3	60.8
Cash and cash equivalents on 31 March	**55.0**	**44.0**

Dreieich, 11 May 2021

Biotest Aktiengesellschaft

Board of Management

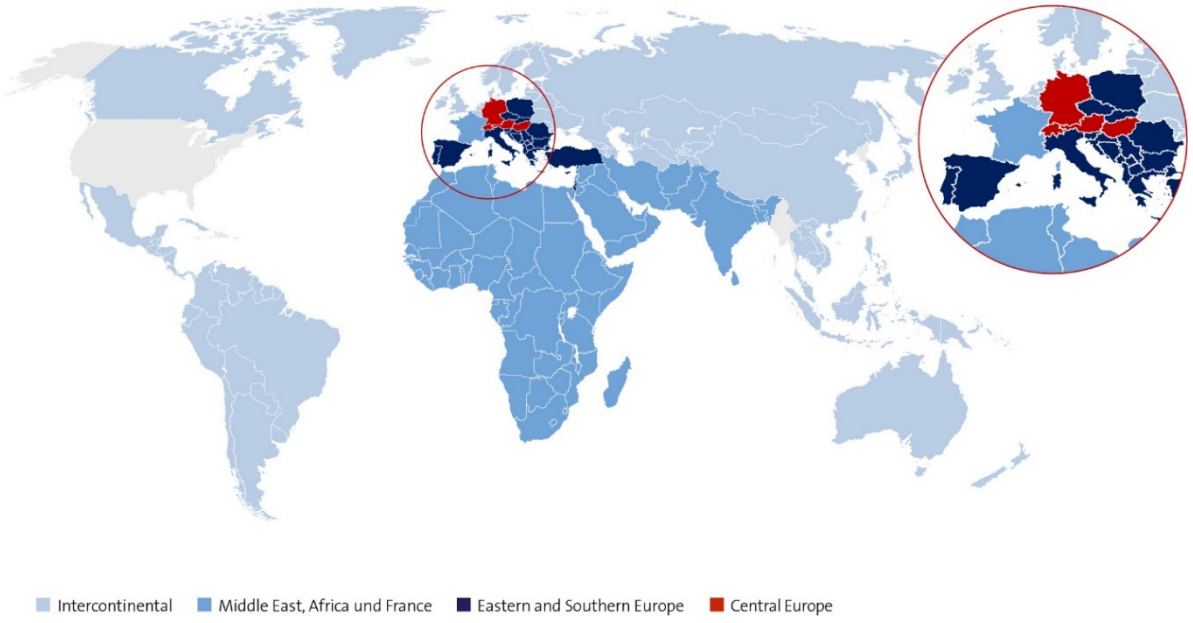
Dr. Michael Ramroth

Chairman of the Board of Management

Dr. Georg Floß

Member of the Board of Management

THE FOUR SALES REGIONS OF BIOTEST



FINANCIAL CALENDAR

12 AUGUST 2021
Half-year report

11 NOVEMBER 2021
Nine-month report

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This report contains forward-looking statements on overall economic development as well as on the state of business, results of operation, cash flows and financial position of Biotest AG and its subsidiaries. These statements are based on current plannings, estimates, forecasts and expectations of the company and are thus subject to risks and elements of uncertainty that could result in significant deviation of actual developments from expected developments. The forward-looking statements are only valid at the time of publication of this report. Biotest does not intend to update the forward-looking statements and assumes no obligation to do so.

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