

QUARTERLY STATEMENT AS OF 31 MARCH 2020



CONTENTS

- | | | | |
|---|---|---|--|
| 1 | Business performance | 6 | Consolidated statement of income |
| 3 | Research and development | 7 | Consolidated statement of financial position |
| 4 | Marketing and distribution | 8 | Consolidated cash flow statement |
| 5 | Outlook, risk and opportunities reports | 9 | Acknowledgements |
| 5 | Supplementary report | | |

BUSINESS PERFORMANCE

A. AT A GLANCE

In the first quarter of 2020, the Biotest Group reported revenue of € 97.7 million. This is an increase of 26.1 % over the € 77.5 million in revenue during the same period of the previous year.

EBIT at Group level amounted to € 1.4 million in the first three months of the 2020 financial year (same period of the previous year: € -9.9 million).

Result of operations

In the first three months of 2020, the Biotest Group generated revenue of € 97.7 million, after € 77.5 million in the same period of the previous year. The strong increase of 26.1 % is reflected in the Therapy and Plasma & Services segments. In the Therapy segment, increased volumes and higher sales prices of key products caused the revenue increase. The higher revenue in the Plasma & Services segment resulted primarily from higher toll manufacturing.

SALES BY SEGMENT			
in € million	Q1 2020	Q1 2019	Change in %
Therapy	84.7	68.0	24.6
Plasma & Services	11.7	7.6	53.9
Other Segments	1.3	1.9	-31.6
Biotest Group	97.7	77.5	26.1

A significant increase in revenue was evident in the three sales regions Central Europe, East and South Europe as well as Middle East, Africa and France. At 34.0 %, Central Europe showed the largest increase and made the largest contribution to revenue, as in the prior-year period. Revenue in the Intercontinental region were at almost the same level as in the previous year.

SALES BY REGIONS			
in € million	Q1 2020	Q1 2019	Change in %
Central Europe	44.1	32.9	34.0
Eastern and Southern Europe	15.6	11.9	31.1
Intercontinental	16.4	16.3	0.6
Middle East, Africa and France	21.6	16.4	31.7
Biotest Group	97.7	77.5	26.1

EBIT improved over the prior-year period by € 11.3 million and reached € 1.4 million in the first three months of 2020 (same period of the previous year: € -9.9 million). It includes expenses for the Biotest Next Level project of € -18.4 million (same period of the previous year: € -12.9 million). The significantly better EBIT compared to the previous year is primarily due to higher revenue. For the first three months of the current financial year, the EBIT margin was 1.4 % after -12.8 % in the same period of the previous year. The higher revenue as the basic reason for the EBIT development particularly affected the Therapy segment. In the Plasma & Services segment, despite an increase in revenue, a negative EBIT of € -0.3 million was recorded.

EBIT BY SEGMENT

in € million	Q1 2020	Q1 2019	Change in %
Therapy	2.7	-10.1	<100
Plasma & Services	-0.3	1.2	<-100
Other Segments	-1.0	-1.0	-
Biotest Group	1.4	-9.9	<100

At € -11.1 million, the financial result for the first quarter of 2020 was significantly lower than in the same period of the previous year (€ 9.0 million). The main reasons for this were the expenses in the amount of € -3.6 million (income in the same period of the previous year: € 9.9 million) from the fair value adjustments on financial instruments at the balance sheet date, which mainly reflects the surrender claim against trustee from the sale of shares in ADMA Biologics Inc., USA, as well as higher interest expenses due to the new financing agreement closed in 2019.

Earnings after taxes of the Biotest Group therefore decreased to € -10.8 million in the first quarter of 2020 compared with € -1.2 million in the first quarter of the previous year. This results in earnings per ordinary share of € -0.28 after € -0.04 in the same period of the previous year.

Asset position

Total assets of the Biotest Group declined slightly from € 1,108.4 million as of 31 December 2019 to € 1,107.6 million as of 31 March 2020. The slight € 3.6 million decrease in noncurrent assets is mainly attributable to a reduction in the item property, plant and equipment in the amount of € 2.3 million, caused by higher scheduled depreciation than new investments. On the other hand, current assets increased by € 2.8 million compared with the 31 December 2019 reporting date. This change is based on several effects: Inventories increased by € 32.3 million to secure the revenue planned for the coming months, while trade receivables decreased by € 14.4 million. Furthermore, cash and cash equivalents decreased by € 16.8 million in the first quarter of 2020.

Under total equity and liabilities, equity amounted to € 466.2 million as of 31 March 2020 (31 December 2019: € 476.9 million). As a result, the equity ratio reached solid 42.1%. Debt increased by € 9.9 million to € 641.4 million (31 December 2019: € 631.5 million). Non-current debt grew since 31 December 2019 by € 1.8 million to reach € 518.3 million at the end of the first quarter 2020, mainly due to a slight increase in non-current financial liabilities. Current debt increased by € 8.1 million to € 123.1 million as of 31 March 2020. This was due in particular to an increase in other provisions, trade payables and other liabilities in the low to mid single-digit million euro range.

Financial Position

The Biotest Group reported operating cash flow of € -10.5 million in the first three months of 2020, which was mainly caused by a change in working capital of € -15.7 million. In the same period of the previous year, operating cash flow amounted to € -7.9 million. Cash flow from investing activities amounted to € -3.9 million in the period from January to March 2020 (same period of the previous year: € -9.7 million), which was, amongst others, caused by payments made for investments in fixed assets. Cash flow from financing activities was € -2.2 million in the first three months of 2020 (same period of the previous year: € -0.9 million). This was mainly due to payments for the redemption portion of the leasing liabilities according to IFRS 16 and the repayment of a promissory note loan. Biotest continues to be solidly financed through a subordinated shareholder loan of € 290 million and a financing agreement concluded in 2019 for a volume of € 240 million, of which € 50 million had been drawn down as of 31 March 2020.

The situation regarding the spread of the novel coronavirus / COVID-19

During the first quarter of 2020, the effects of the novel coronavirus, which first appeared in Asia at the turn of 2019/2020, developed into a pandemic with global implications. In order to contain the spread of the virus, governments around the world took measures during the first quarter, including a restriction of personal contacts. The core markets of the Biotest Group were also affected by those measures and still are at the time this quarterly report is being prepared. As a result of the measures adopted by governments, there are signs of a significant cooling of economic activity worldwide and a recession in the current year 2020. Economic research institutes expect Germany's

real gross domestic product to decline by 4.2 %.¹ On a global level, the International Monetary Fund is forecasting a 3.0% decline in global economic output in 2020.² Due to the high global medical demand for plasma protein products, the Biotest Group is only to a lesser extent dependent on global economic cycles. This assessment of the management still applies under the current economic conditions. Nevertheless, effects on the operating business, in particular due to local crises and exchange rate changes, cannot be ruled out.

The safety of Biotest preparations and the patients treated with them is ensured. Biotest does not collect blood plasma from persons with acute coronavirus infections. If a corresponding infection is present but not detected at the time of donation, the virus would be eliminated in the four independent virus elimination steps which are a default element of Biotest's production process.

With the increasing spread of the novel coronavirus in Europe in the first quarter of 2020, Biotest took precautions to protect the health of the Biotest Group's employees, for example by making greater use of opportunities to work from home. In areas such as production and the plasma collection centres a high level of precautions already exist to ensure the safety of plasma donors, Biotest employees and subsequent users of the preparations. Those precautions have been extended to include measures relating to hygiene and maintaining social distance in the processes. Biotest itself produces a hand disinfectant in order to be independent of the market availability of other hand disinfectants. Authorities confirmed that Biotest is a company with systemic relevance. Therefore, children of Biotest employees can be placed in emergency care, thus preventing a staff shortage in critical processes. The Biotest Group has thus already taken effective measures to ensure business continuity.

Business in Asia was impacted early in 2020 by restrictions resulting from measures to contain the COVID-19 pandemic, including travel restrictions and limited availability of existing and potential customers. The situation in Asia had a negative impact on the Biotest Group's revenue development in the region in the first quarter of 2020.

Appeals or government orders to restrict personal contact and measures to maintain reasonable distances between individuals has limited the willingness of people to donate plasma and has led to reduction of the capacity of plasma collection centres. In March 2020, compared to the same

period of the previous year, there was significant decrease in the collection volume of the Biotest plasma centers. To some extent the Biotest Group is able to compensate for the expected shortfall in plasma from the blood plasma stockpiled on the reporting date of 31 March 2020. Thus, for the remaining months of the current year, the planned production volume of end products can be largely supported by plasma already held in stock if plasma collection volumes will reach the former levels again till summer. If that is not the case due to the uncertainties regarding the further course of the COVID-19 pandemic a significant restriction of the supply of the raw material blood plasma may result in a lower availability of finished products later in the current fiscal year or thereafter.

For research activities regarding therapeutic approaches for COVID-19 patients, please refer to the Research and Development section of this quarterly statement.

Personnel changes in the Supervisory Board

On 4 January 2020, Ms. Christine Kreidl resigned from the Supervisory Board at her own request. With effect from 12 February 2020, Ms. Simone Fischer was appointed as a member of the Supervisory Board of Biotest AG.

Changes in the scope of consolidation

In the first quarter of 2020, Biotest Real Estate Corporation, Wilmington (Delaware), USA, was deconsolidated from the consolidated financial statements of Biotest AG. The reason was the liquidation of the company.

The company held a plot of land in the USA, which was sold in 2019. The positive deconsolidation result of Biotest Real Estate is mainly the result of currency differences from currency translation accumulated in equity, which is shown in the income statement with an amount of € 0.4 million.

B. RESEARCH AND DEVELOPMENT

Compared to the same quarter of the previous year, the costs of research and development decreased by 11.4 % to € 12.4 million in the first three months of the financial year 2020 (same period of the previous year: € 14.0 million). This is mainly due to the fact that the phase III studies for IgG Next Generation have now been completed and that costs for new planned studies, e.g. for Trimodulin, will only

¹ Joint Economic Forecast of the Deutsches Institut für Wirtschaftsforschung, the ifo Institut - Leibniz-Institut für Wirtschaftsforschung an der Universität München e. V. in cooperation with the Konjunkturforschungsstelle of the ETH Zürich, the Institut für Weltwirtschaft Kiel, the Leibniz-Institut für Wirtschaftsforschung Halle (IWH) and the RWI Leibniz-Instituts für Wirtschaftsforschung in cooperation with the Institut für Höhere Studien Wien; April 2020;

<https://www.ifw-kiel.de/de/publikationen/medieninformationen/2020/ge-meinschaftsdiagnose-12020-wirtschaft-unter-schock-finanzpolitik-haelt-dage-gen/>

² International Monetary Fund; April 2020; World Economic Outlook; <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>

arise later in the year. A complete list of all research and development products is provided in the 2019 Annual Report (page 16). Biotest was able to make further progress with the following research and development projects in the period from January to March 2020:

RESEARCH & DEVELOPMENT PROGRESS IN
THE FIRST THREE MONTHS OF 2020

Therapeutic area Haematology

Fibrinogen	Phase III clinical Trials on congenital and acquired fibrinogen deficiency are proceeding according to plan.
------------	--

Therapeutic area Clinical Immunology

IgG Next Generation	Phase III study in PID (Primary immune deficiency): Treatment of adults and children completed. The evaluation of the study has begun. Phase III study in ITP (Immunothrombocytopenia) is completed. The data show the expected good efficacy and a good safety profile of the product.
---------------------	---

Therapeutic area Intensive Care Medicine

Trimodulin	Coordination with the U.S. Food and Drug Administration (FDA), EMA and Paul-Ehrlich-Institut took place. Phase III study and paediatric development plan in preparation. Clinical phase II study for the treatment of patients with severe Covid 19 pneumonia is planned.
------------	---

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

In this extremely difficult situation, Biotest would like to give any support in order to contribute to the Corona crisis solution.

Due to the great similarity of the clinical picture to the patients treated in the CIGMA study, Biotest sees Trimodulin as having considerable potential for patients with severe pneumonia after a COVID-19 infection. The CIGMA study is a large-scale Phase II study in mechanically ventilated patients with severe pneumonia (severe Community Acquired Pneumonia = sCAP). This group of diseases also 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. In the CIGMA study, a relative reduction in mortality of 50-70% was observed in a subgroup of patients with high inflammation markers or reduced immune function. The same conditions also occur in COVID-19 patients with severe course of the disease. That is why Biotest is now expanding its planned phase III study in sCAP to include COVID-19 patients. At the same time, an accelerated phase II study in COVID-19 patients is planned in order to drastically accelerate the development in response to the current COVID-19 pandemic. Biotest has already applied for European funding for the activities necessary to speed up the development.

In addition, Biotest is working on a new medication against COVID-19 derived from hyperimmune plasma. A test is currently being developed that is intended to screen all plasma donations for antibodies against COVID-19. The donations

with the most antibodies can then be used in a production pool for a new hyperimmunoglobulin against COVID-19. This medication could then be used therapeutically for severe courses of COVID-19. In this context, Biotest has entered into an industry-wide cooperation. Together with Bio Products Laboratory, CSL, LFB, Octapharma and Takeda, the alliance will immediately begin developing a non-company specific trademarked polyclonal hyperimmunoglobulin medication against SARS-CoV-2.

An even more short-term approach that is currently being promoted in many countries as well as in Germany is the direct use of "convalescence" plasma as a therapeutic agent. The short-term availability of this direct therapeutic use of plasma is probably offset by a lower effectiveness and increased side effects compared with a hyperimmunoglobulin. In Hungary, the Ministry of Health launched a "Scientific Consortium" to introduce the collection and clinical use of plasma from cured coronavirus patients. The Ministry of Health has asked the Hungarian plasma collection company of Biotest AG, Plazmaszolgálat Kft., to collect COVID-19 hyperimmune plasma exclusively for this purpose. In one of our plasma centres in Budapest, healed COVID-19 patients are received in addition to regular donors. The donated plasma is then processed by the Hungarian blood transfusion service.

C. MARKETING AND DISTRIBUTION

The first quarter of 2020 was characterized by rising global demand for immunoglobulins (IVIGs) and at the same time rising prices.

While all congresses since February 2020 have been cancelled or postponed due to the Corona crisis, Biotest's marketing and sales activities are strongly focused on digital channels and alternative ways of contacting customers. The focus on Biotest's specialized portfolio is continued.

The general demand for hyperimmunoglobulins from Biotest (Cytotect®) is positive both in Europe (e.g. in Spain, Germany, Austria, Switzerland) and internationally (e.g. in Saudi Arabia, Russia, Kazakhstan). In January, Cytotect® CP was granted a new approval in Great Britain. The list price has already been confirmed by the British health authorities and the reimbursement negotiations are in the final phase.

Due to the COVID-19 situation, some countries have made access at the borders more difficult, so that delivery may be delayed due to not available transport vehicles.

MARKETING & DISTRIBUTION PROGRESS
IN THE FIRST THREE MONTHS OF 2020

Therapeutic area Clinical Immunology

Intratect®	Global demand for immunoglobulins remains high, resulting in stable prices.
Cytotect® CP, Varitect	In January, Cytotect® CP was granted a new approval in Great Britain. The list price has already been confirmed by the British health authorities and the reimbursement negotiations are in the final phase.
Fovepta	Biotest won a contract for a 2-year tender (2019/2020) in Saudi Arabia.

Therapeutic area Haematology

Haemoctin®	Preparation for the launch of Haemoctin® 500 and 1000 with reduced volume in different countries in Europe and Africa (including Italy and Algeria)
------------	---

Therapeutic area Intensive Care Medicine

Pentaglobin®	The demand for Pentaglobin® increased significantly towards the end of the quarter.
--------------	---

II. RISK REPORT

The risk situation of the Biotest Group has not changed significantly since the presentation in the Annual Report 2019 (pages 23 to 31). This also applies to the assessment of risks in connection with pandemics (page 31 in the Annual Report 2019). In particular with regard to plasma procurement, we refer to the comments on the page 3. There are still no identifiable risks that could jeopardise the Biotest Group's financial stability.

III. OPPORTUNITIES REPORT

The opportunities situation of the Biotest Group has not changed significantly compared to the presentation in the Annual Report 2019 (pages 32 and 33).

D. OUTLOOK, RISK AND OPPORTUNITIES REPORT

I. OUTLOOK REPORT

The Biotest Group's outlook has not changed significantly from its presentation in the 2019 Annual Report (pages 21 to 23). As described there, the Management Board expects, among other things, an increase in revenues of about 10 % and an EBIT of € -10 to -5 million. The forecast for the financial year 2020 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 uncertainty currently still prevailing with regard to the further spread of the coronavirus and possible economic consequences limits the certainty of the planning assumptions.

E. SUPPLEMENTARY REPORT

In April 2020, Biotest drew a further tranche of € 50.0 million from the financing with a total volume of € 240.0 million.

A high level of uncertainty regarding the further spread of the coronavirus still remains in the period between the balance sheet date and the date of preparation of the quarterly financial statements for the first quarter of 2020. Any 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 on a permanent basis, this could have a negative impact on the willingness of the population to donate, for example, or on the health and fitness of employees. In addition, the conduct of business in the regions affected by a pandemic could be adversely affected, thus impairing the asset, financial and earnings situation.

CONSOLIDATED STATEMENT OF INCOME

of the Biotest Group for the period from 1 January to 31 March 2020

in € million	Q1 2020	Q1 2019
Revenue	97.7	77.5
Cost of sales	-69.2	-58.0
Gross profit	28.5	19.5
Other operating income	5.8	4.5
Marketing and distribution costs	-11.5	-11.1
Administrative expenses	-7.9	-7.5
Research and development costs	-12.4	-14.0
Other operating expenses	-1.1	-0.9
Change in impairments on financial assets measured at amortised cost	-	-0.4
Operating profit	1.4	-9.9
Fair value adjustments on financial instruments measured at fair value	-3.6	9.9
Financial income	1.4	2.1
Financial expenses	-8.9	-3.1
Financial result	-11.1	9.0
Earnings before taxes	-9.7	-0.9
Income taxes	-1.1	-0.3
Earnings after taxes (total)	-10.8	-1.2
Attributable to:		
Equity holders of the parent	-10.8	-1.2
Earnings per share in €	-0,28	-0,04

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of the Biotest Group as of 31 March 2020

in € million	31 March 2020	31 December 2019
ASSETS		
Non-current assets		
Intangible assets	13.7	13.8
Property, plant and equipment	519.6	521.9
Right-of-use assets	25.4	26.0
Investments in joint ventures	1.9	1.9
Other assets	5.6	5.7
Other financial assets	7.8	7.6
Deferred tax assets	8.0	8.7
Total non-current assets	582.0	585.6
Current assets		
Inventories	312.4	280.1
Contract assets	44.0	38.1
Trade receivables	93.3	107.7
Current income tax assets	1.7	1.7
Other assets	9.6	9.0
Other financial assets	20.6	25.4
Cash and cash equivalents	44.0	60.8
Total current assets	525.6	522.8
Total assets	1,107.6	1,108.4
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	39.6	39.6
Share premium	219.8	219.8
Retained earnings	217.6	222.2
Share of profit or loss attributable to equity holders of the parent	-10.8	-4.7
Total equity	466.2	476.9
Non-current liabilities		
Provisions for pensions and similar obligations	108.9	109.5
Other provisions	2.3	2.7
Financial liabilities	405.9	402.9
Other liabilities	0.1	0.3
Deferred tax liabilities	1.1	1.1
Total non-current liabilities	518.3	516.5
Current liabilities		
Other provisions	26.6	22.3
Current income tax liabilities	2.8	2.8
Financial liabilities	5.9	7.5
Trade payables	54.7	52.2
Other liabilities	33.1	30.2
Total current liabilities	123.1	115.0
Total liabilities	641.4	631.5
Total equity and liabilities	1,107.6	1,108.4

CONSOLIDATED CASH FLOW STATEMENT

of the Biotest Group for the period from 1 January to 31 March 2020

in € million	Q1 2020	Q1 2019
Operating cash flow before changes in working capital	7.4	-3.0
Cash flow from changes in working capital	-15.7	-4.3
Interest and taxes paid	-2.2	-0.6
Cash flow from operating activities (total)	-10.5	-7.9
Cash flow from investing activities (total)	-3.9	-9.7
Cash flow from financing activities (total)	-2.2	-0.9
Cash changes in cash and cash equivalents	-16.6	-18.5
Exchange rate-related changes in cash and cash equivalents	-0.2	-
Cash and cash equivalents on 1 January	60.8	61.9
Cash and cash equivalents on 31 March	44.0	43.4

Dreieich, 8 May 2020

Biotest Aktiengesellschaft

Board of Management



Dr. Michael Ramroth

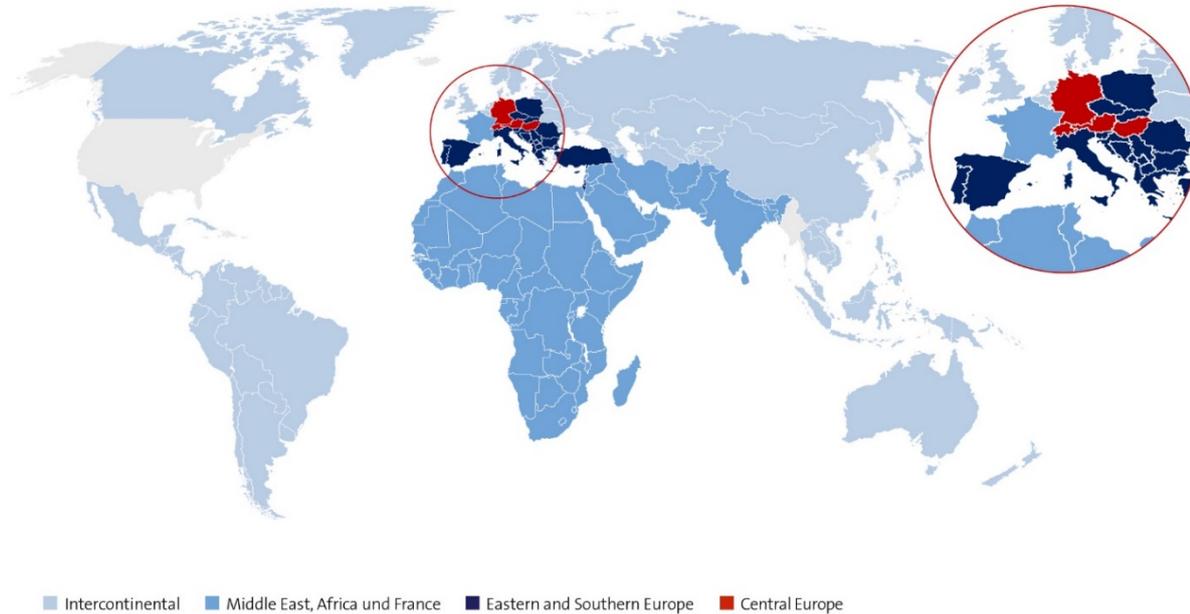
Chairman of the Board of Management



Dr. Georg Floß

Member of the Board of Management

THE FOUR SALES REGIONS OF BIOTEST



FINANCIAL CALENDAR

13 AUGUST 2020
Half-year report

12 NOVEMBER 2020
Nine-month report

ACKNOWLEDGEMENTS

PUBLISHER

Biotest AG
Landsteinerstr. 5
63303 Dreieich
Deutschland
www.Biotest.com

IR Contact

Dr. Monika Buttkerleit
Phone: +49-6103-801-4406
Fax: +49-6103-801-347
investor_relations@Biotest.de

PR Contact

Dirk Neumüller
Phone: +49-6103-801-269
pr@Biotest.com

CONCEPT AND DESIGN

Scheufele Hesse Eigler Kommunikati-
onsagentur GmbH,
Frankfurt am Main, Germany

PUBLISHING SYSTEM

AMANA consulting GmbH,
Essen, Germany

EDITORIAL OFFICE AND PROJECT MANAGEMENT

cometis AG,
Wiesbaden, Germany

PHOTOGRAPHY

Simone Kiefer, Dreieich, Germany

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.

BIOTEST AG | Landsteinerstr. 5, 63303 Dreieich, www.biotest.com

