

VITA 34 – THE CELL BANK UNLEASHING OUR HIDDEN POTENTIAL

VITA34



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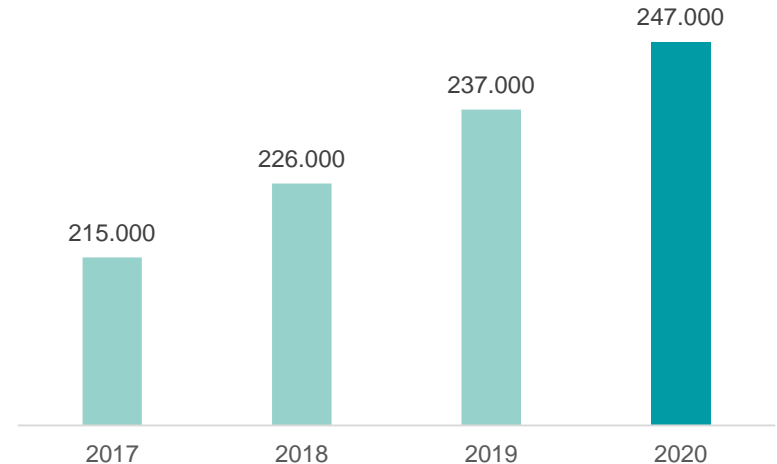
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VITA 34 AT A GLANCE

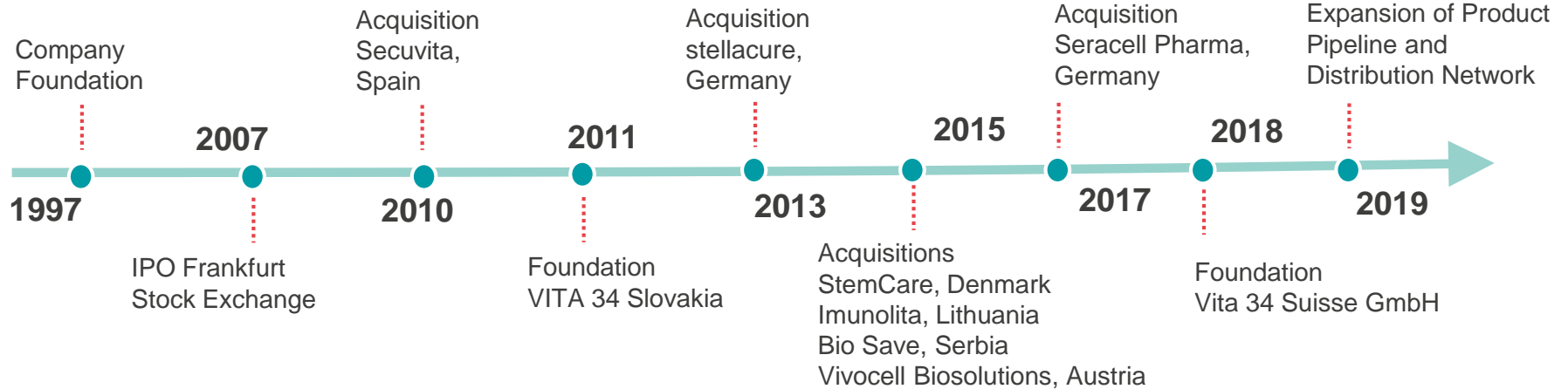


- Vita 34 AG was founded 1997 and is the European pioneer in the field of cord blood banking
- With more than 247,000 stem cell depots, the Group, is by far the largest and marked-leading stem cell bank in the German-speaking countries and thus one of the two largest private umbilical cord blood banks in Europe
- Vita 34 is a full-service provider: collection, preparation, and storage of stem cells from umbilical cord blood and tissue

Accumulated number of stored stem cell units



20 YEARS OF SUCCESSFUL BUY & BUILD TRACK-RECORD



Expansion of Product Pipeline

- Focus on becoming a well positioned player in European Cell Banking
- Scope on new cell therapies
- 'Product +1': increase of recurring revenue per existing client

Expanding Distribution Network

- Contracting new Sales Partner in Europe and Middle East

Opportunistic M&A Approach

- Potential further deals to fuel inorganic growth
- Regionally selective: only in highly attractive markets with adequate competition structure
- Sustainable valuation multiples

ESTABLISHED PROCESSING & VALUE CHAIN

Present process from customer acquisition to storage, adaptable also for new product segments



1.

Information via doctors, midwives, health insurances or Internet



2.

Order via Internet, contract, medical history, shipping of collection kit



3.

Collection in partner hospitals (>90% market coverage in Germany)



4.

Shipping to Vita 34 within max. 72 hours



5.

Processing in the laboratory, analysis and preparation of storage



6.

Storage in controlled process at -180° C



CELL BANKING TAKES MORE THAN “JUST A FRIDGE”



Market Coverage

- ✓ >90% market coverage of maternity clinics (Germany)
- ✓ New market partnerships in preparation (e. g. B2B, health insurance funds)

Technology

- ✓ Whole blood / separation
- ✓ High cell yield
- ✓ Established processes for autologous and allogenic use



GMP Processes

- ✓ Each process step certified by relevant authorities
- ✓ Certification processes of 24 – 36 months keeping “adventurers” off the market
- ✓ FACT-NetCord accreditation

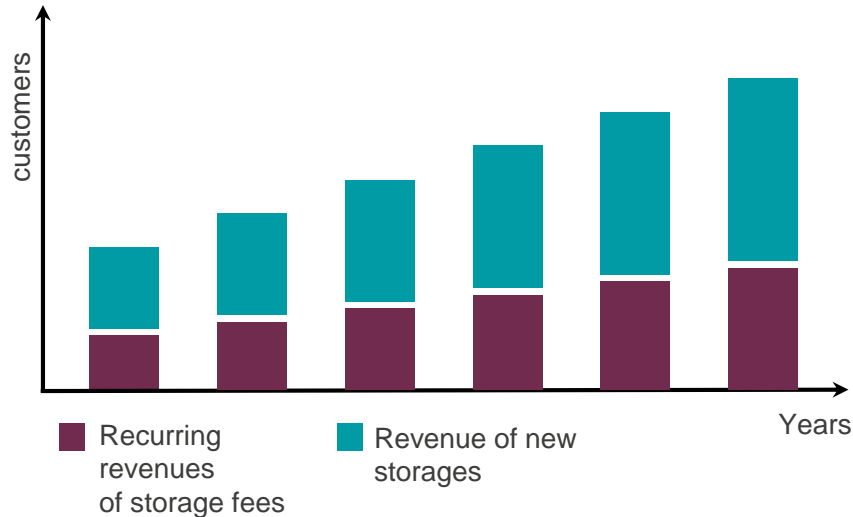
Product Pipeline

- ✓ New products in Cell Banking well on track
- ✓ Strong track record in certification processes

Strong market entry barriers safeguard our claimed position

ESTABLISHED BUSINESS MODEL AS STRONG BASIS

'On-top' Cash Flows from new contracts and sustainable recurring revenues

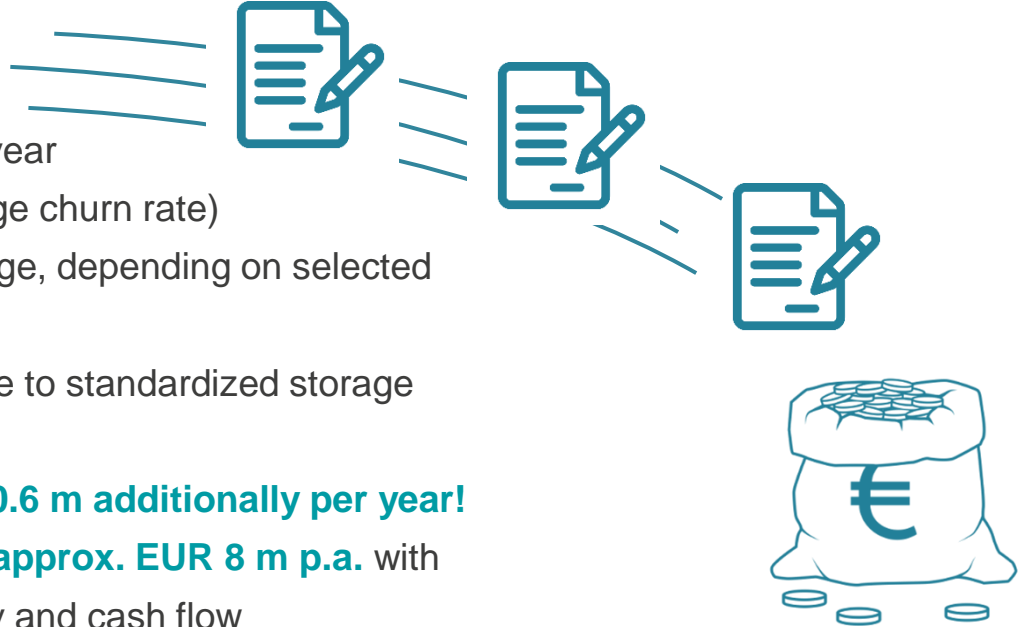


- Revenues consist of
 - processing fees for new storages and
 - recurring, annual fees for existing storage
- Annual storage fees ensure steady, long-term Cash flows
- Each new contract increases base for future recurring revenues – regardless of # of new contracts in the next year
- Very high customer loyalty

→ **Stable and predictable business model with high visibility for investors**

CONTRACT RENEWALS A MAJOR BUSINESS DRIVER FROM 2021 ONWARDS

Contract renewals extensively
drive revenues & earnings...



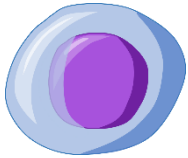
- ✓ ~ **5,000 contracts** up for renewal per year
- ✓ Expected **renewal rate > 98 %** (average churn rate)
- ✓ **Average yearly fee of 120 €** per storage, depending on selected contract model
- ✓ **High double digit** earnings margin due to standardized storage maintenance process...
- ✓ ... positively affect EBITDA by ~ **EUR 0.6 m additionally per year!**
- ✓ **Storage revenue** until 2025 visible at **approx. EUR 8 m p.a.** with further stabilizing impact for profitability and cash flow



Intensified business transformation towards recurring revenues!

CORD BLOOD AND CORD TISSUE CONTAIN STEM CELLS WITH THERAPEUTIC POTENTIAL

Relevant types of stem cells



Blood-forming stem cells
(able to replace all human
blood cells)



Mesenchymal stem cells
(Stem cells of the connective
tissue, able to replace
damaged bone cells, nerve
cells, cartilage or fat)

Cord blood cells are young and vital



In most cases, cells have never been activated
by an immune reaction



They cause almost no immune reaction when
transplanted (in contrast, cells from adults cause
reactions – immune suppression is needed)



Cord blood is usually free of viruses



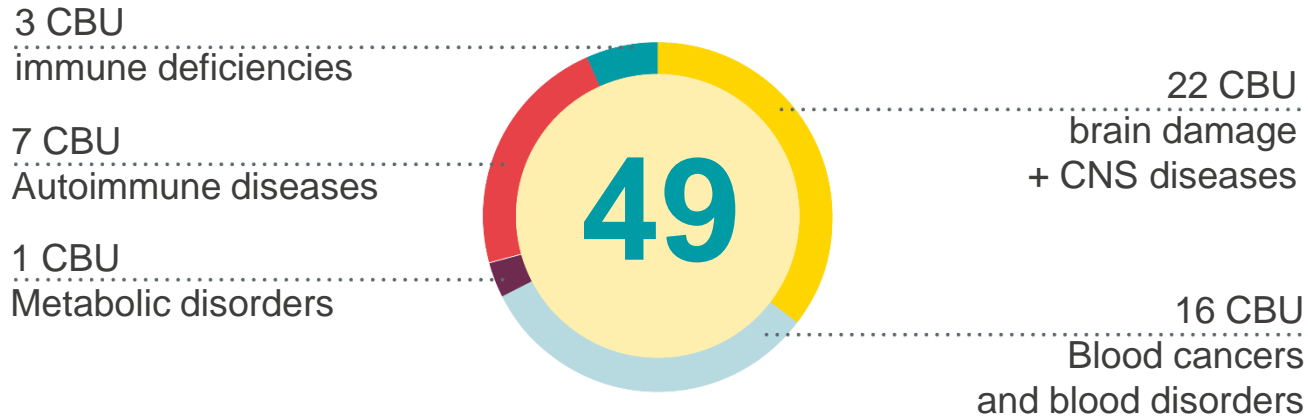
Cord blood can be cryopreserved for
decades without any loss of function of
the stem cells



>100 clinical trials try to establish cord blood as a
new treatment for various diseases

CORD BLOOD RELEASED FOR TREATMENT

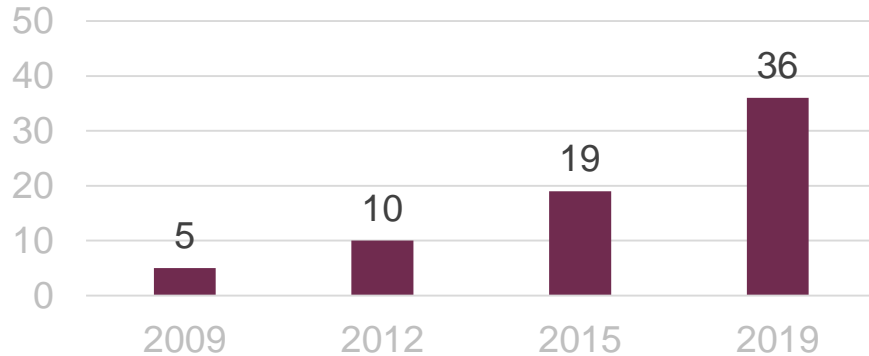
As of today 49 cord blood units, stored at Vita 34, have been released for the treatment of various diseases.



thereof 4 in 2021; 1 open request

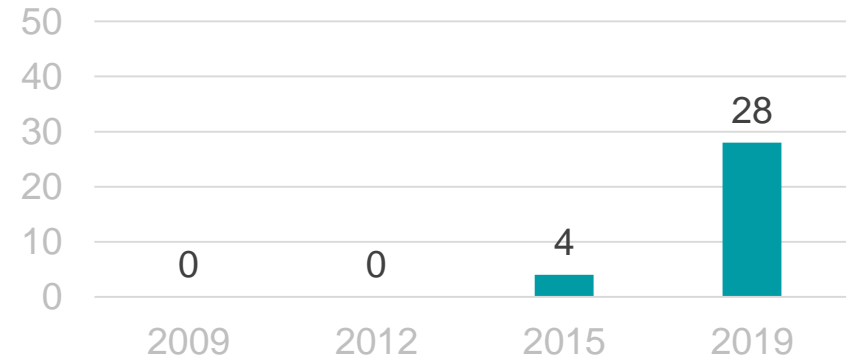
CELL THERAPIES – INCREASING CLINICAL RELEVANCE

No. of patient studies starting per year evaluating umbilical cord blood



Total No. of currently ACTIVE patient studies **154**

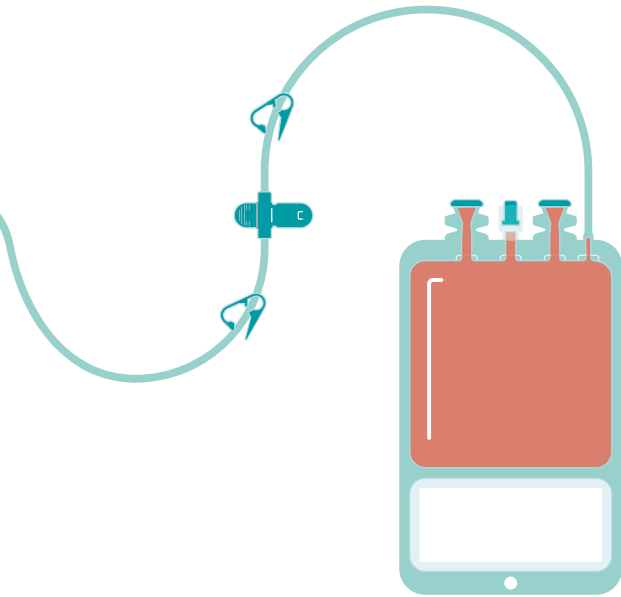
No. of patient studies starting per year evaluating MSCs from umbilical cord tissue



Total No. of currently ACTIVE patient studies **79**

CORD BLOOD IN PATIENT STUDIES

> 100 patient studies currently evaluate cord blood as an option to treat various diseases



Part of anti-cancer treatment strategies



Treatment of heart defects



Starting point for immun cell therapies



Treatment of lung diseases

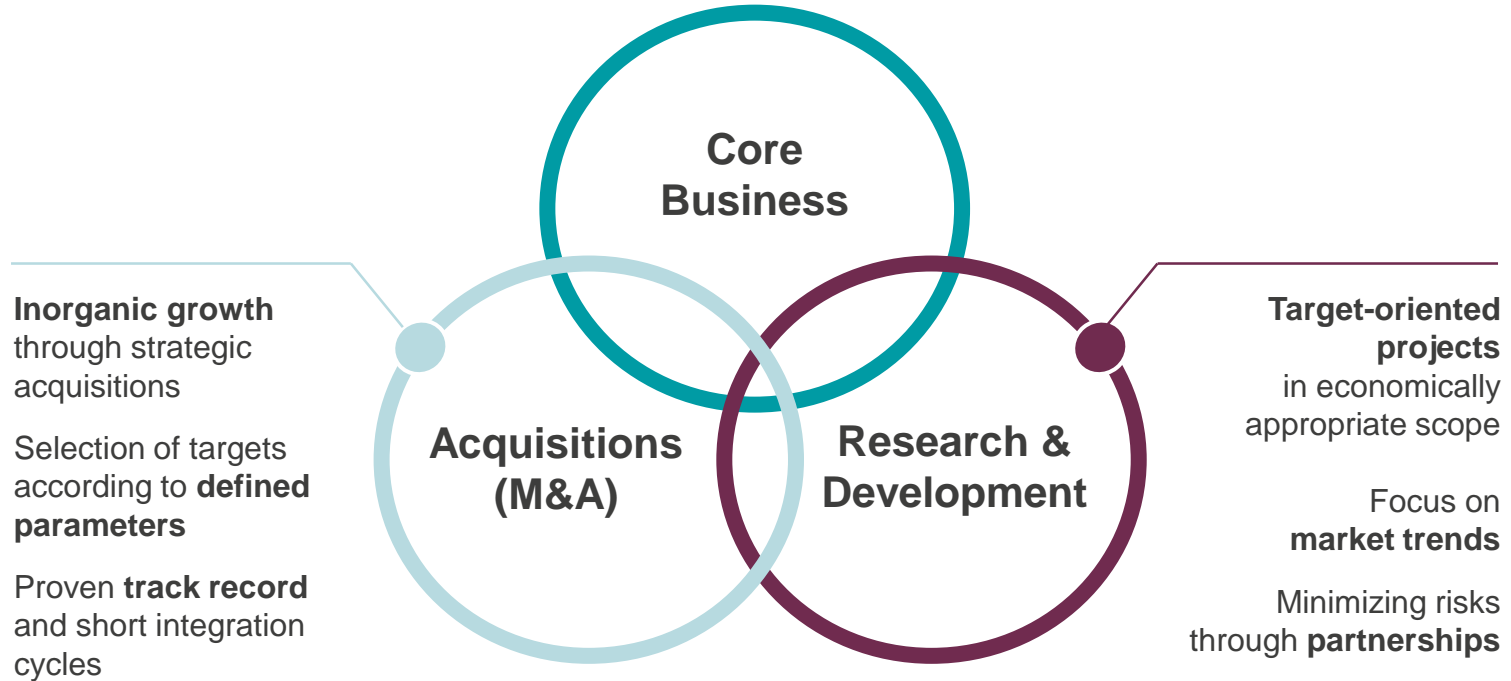


Treatment of brain damages (stroke!)



Treatment of autoimmune diseases

FURTHER DEVELOPMENT OF THE BUSINESS MODEL



→ **High visibility in core business as a basis for future expansion strategy**

OUR MISSION: BROAD PORTFOLIO IN EUROPEAN CELL BANKING



-- → since 1997

Stem Cells

European pioneer and one of the leading stem cell banks in Europe (TOP 3)

Whole Blood Cells

Unlike most competitors we store the whole cord blood, the technology with the highest cell yield



-- → 2021e

Adipose Tissue

'Adipovita':
Preservation of stem cells from adult body fat

Precursor to SVF technology

-- → end of 2022e

Immune Cells

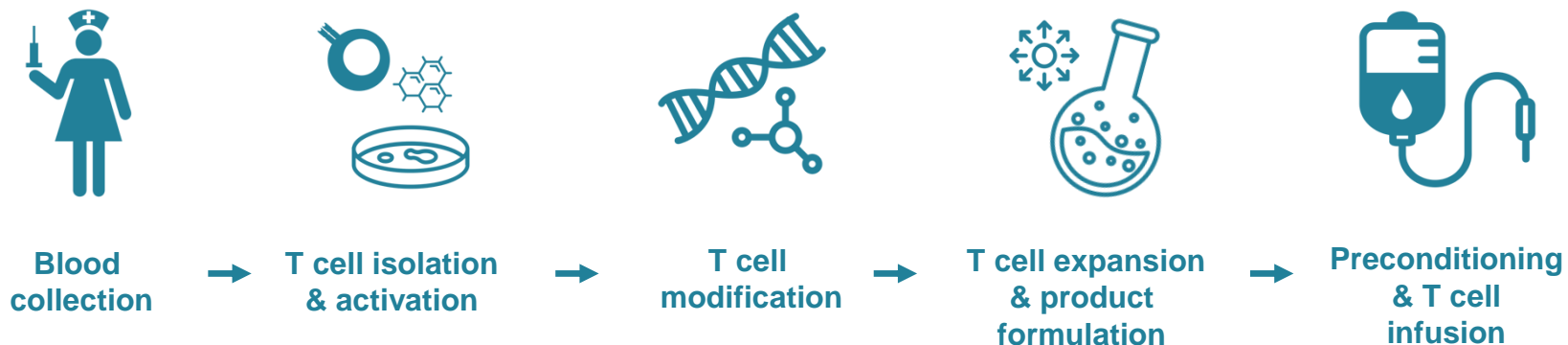
Cryo-preservation of immune cells from peripheral blood for new cell therapies (e. g. CAR-T Cell therapy)

-- → 2022/2023e

Stromal Vascular Fraction (SVF)

Cell fraction preparation & preservation used for multiple treatments (e.g. Arthritis, Cosmetic Surgery)

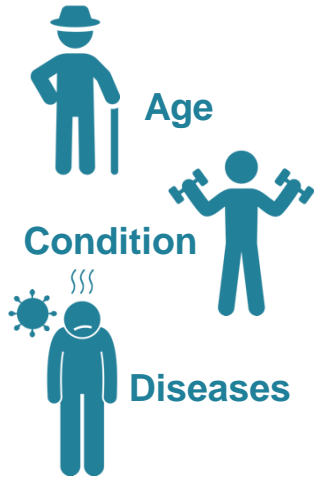
IMMUNE CELL THERAPIES – A BIG STEP TOWARDS “PERSONALIZED MEDICINE”



Increasing impact in anti-cancer therapies

- **CAR-T Immunotherapies approved by FDA and EMA**
Kymriah® (Novartis), Yescarta® (Gilead), Tecartus™ (Gilead) liso-cel (Juno Therapeutics, approval expected)
- **400+ experimental therapies in clinical research**

FACTORS AFFECTING CAR-T PRODUCT QUALITY



- X** *T cell number*
- X** *T cell dysfunction*
- X** *T cell exhaustion*
- X** *T cell phenotype*



Up to 10%

of patients might
not be eligible
for CAR-T cell
manufacturing!

- ✓ **Early collection, processing & storage** improve CAR-T quality
- ✓ optimization of **starting material quality**, standardization of processing

NEW PRODUCT “IMMUNE CELLS” & ECONOMIC RATIONAL

VITA34



Rationale behind the new product

- ✓ Cryo-preservation of immune cells from peripheral blood offers the **chance of conserving immune cells for everybody**
- ✓ **GMP process** (blood sampling, transport, processing & cryo-conservation) is **similar** to already established GMP process for cord blood processing, approval and permission process “manageable”
- ✓ **Successful medical treatments** with immune cells by 3rd party pharmaceutical companies **will rapidly increase public awareness** of new medical benefits from immune cell storages
- ✓ Potential **Synergies from existing customer base**

POTENTIAL SYNERGIES FROM EXISTING CUSTOMER BASE

Pre-market sounding indicates high product acceptance from client families

90 %

view our new product offering
positive

thereof

33 %

view our new product offering
extremely positive

Strong effect on EBITDA likely due to relatively
low need for investments / 'Product + 1' leverage

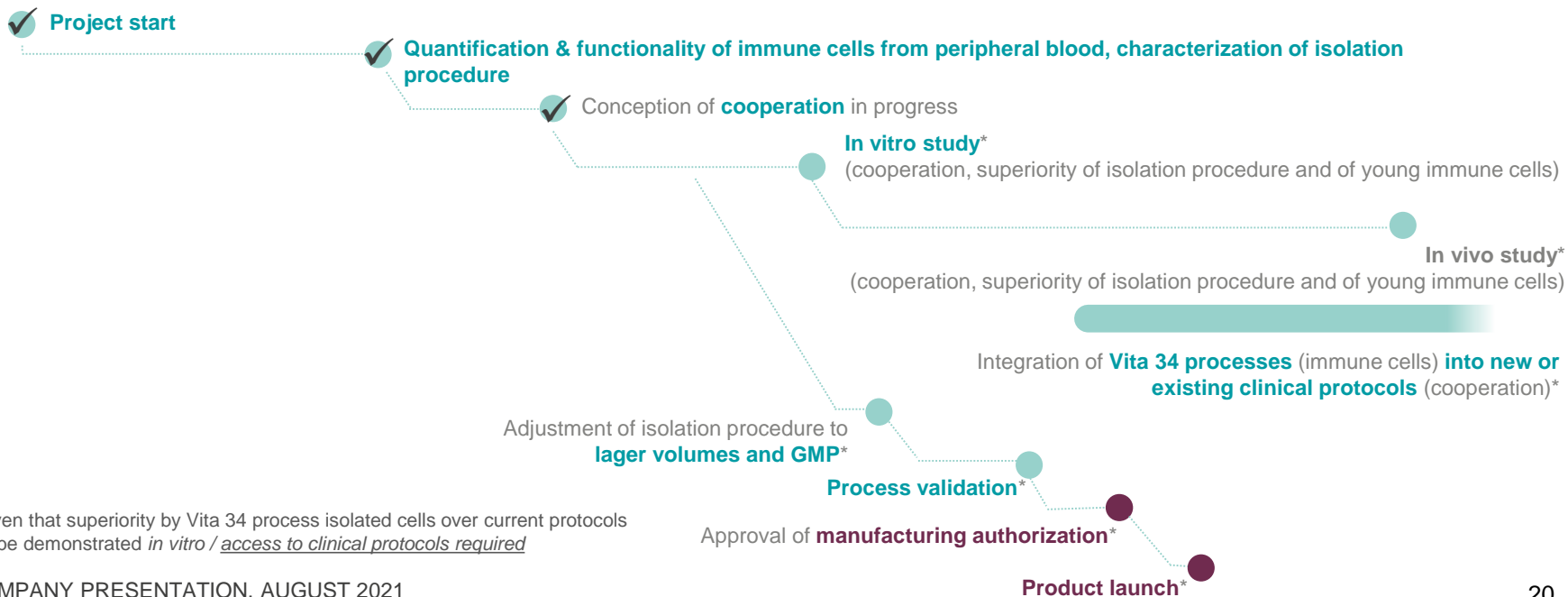
**Vast
product-to-market
potential from
existing
customer base!**

CRYOPRESERVATION AND STORAGE OF AUTOLOGOUS IMMUNE CELLS

EXPECTED PRELIMINARY MILESTONES (STATUS AUGUST 2020)



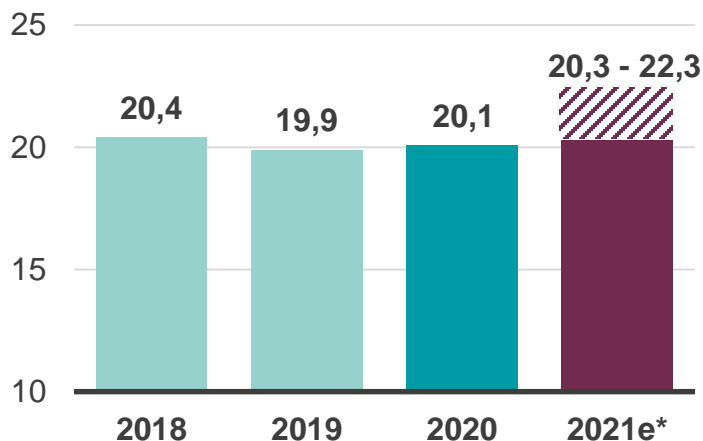
2018	2019				2020				2021				2022				2023			
Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4



* Given that superiority by Vita 34 process isolated cells over current protocols can be demonstrated *in vitro* / access to clinical protocols required

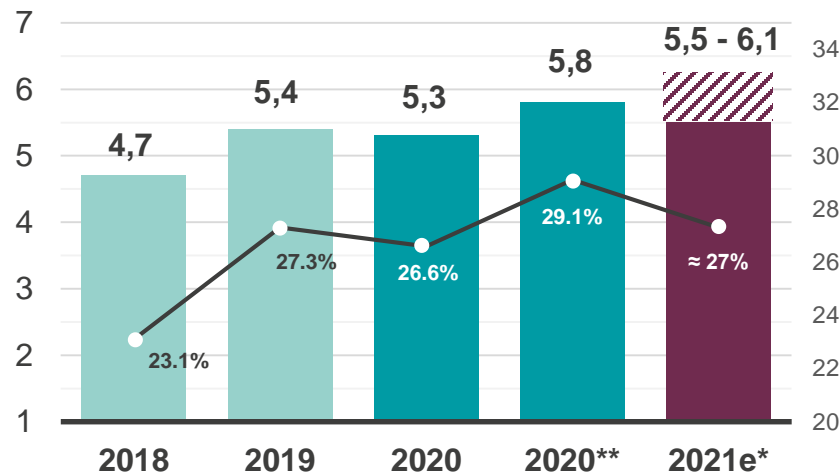
DEVELOPMENT OF REVENUES AND EBITDA

Revenues (in mEUR)



* Revenues according to official guidance, which is subject to a variety of assumptions. For further details, please refer to the relevant section of the annual report 2020.

EBITDA (in mEUR) and EBITDA margin (in %)



* Adjusted EBITDA: reported EBITDA adjusted for negative special effects due to consulting costs as a result of the planned merger with PBKM.

**Adjusted EBITDA for 2020 is calculated from EBITDA of EUR 5.3 million plus special effects of EUR 0.5 million incurred as a result of consulting costs following the takeover offer of AOC Health GmbH and the review of a prospectively possible merger with PBKM. Adjusted EBITDA of the previous years corresponds to the reported EBITDA.

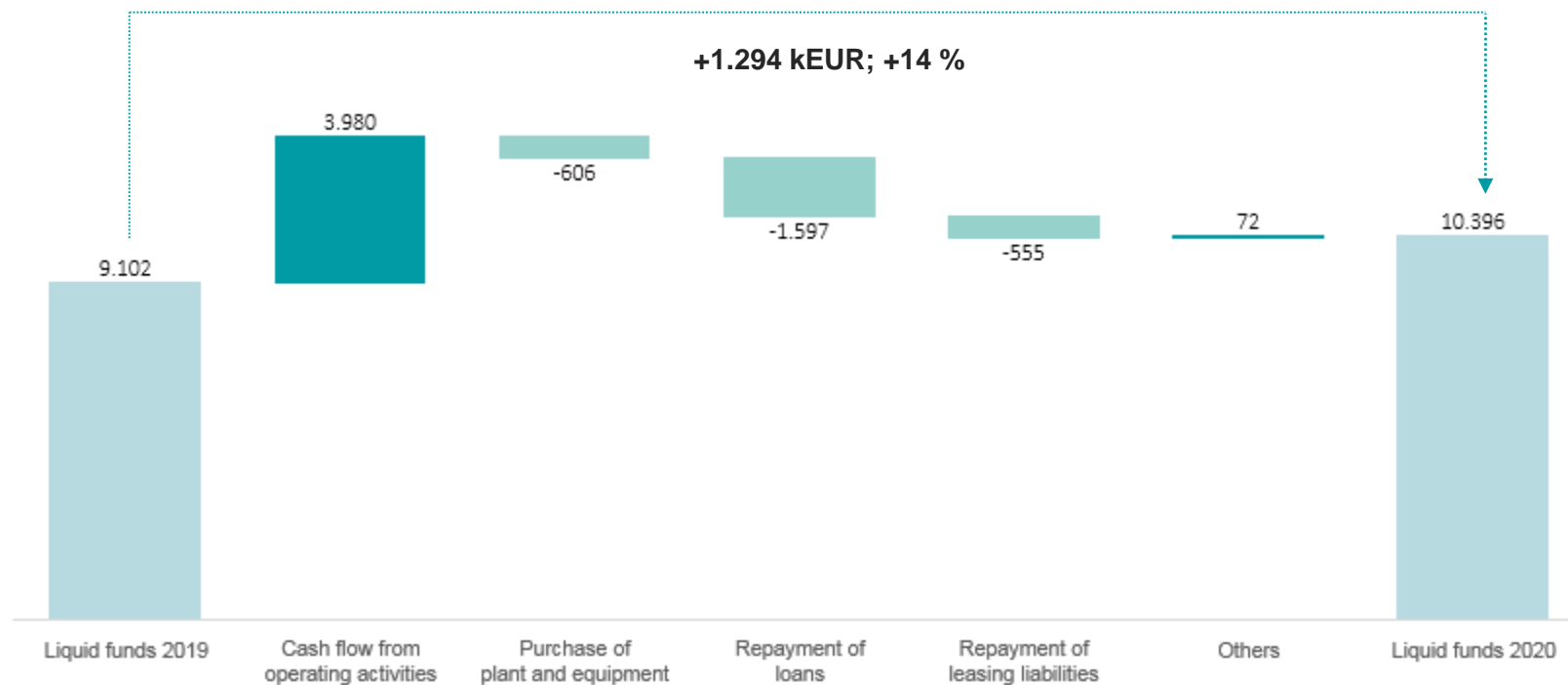
DEVELOPMENT OF IMPORTANT KEY FIGURES CONSOLIDATED FINANCIAL STATEMENTS 2020

in EUR thousands	2020	2019	Δ abs	Δ [%]
Revenues	20,069	19,934	135	0.7
Gross profit	11,663	11,783	-120	-1.0
EBITDA	5,344	5,433	-89	-1.6
<i>EBITDA-Margin on revenues [%]</i>	26.6	27.3	-0.7	-2.3
EBIT	2,380	2,453	-73	-3.0
Net earnings	1,501	718	783	109.1
Earnings per share [EUR]	0.37	0.18	0.19	105.6

	12/31/2020	12/31/2019	Δ abs	Δ [%]
Total assets	58,464	58,775	-311	-0.5
Equity	29,536	28,048	1,488	5.3
<i>Equity ratio [%]</i>	50.5	47.7	2.8	5.9
Liquid funds	10,396	9,102	1,294	14.2

CONSOLIDATED FINANCIAL STATEMENTS 2020

CASH AND CASH EQUIVALENTS



in kEUR

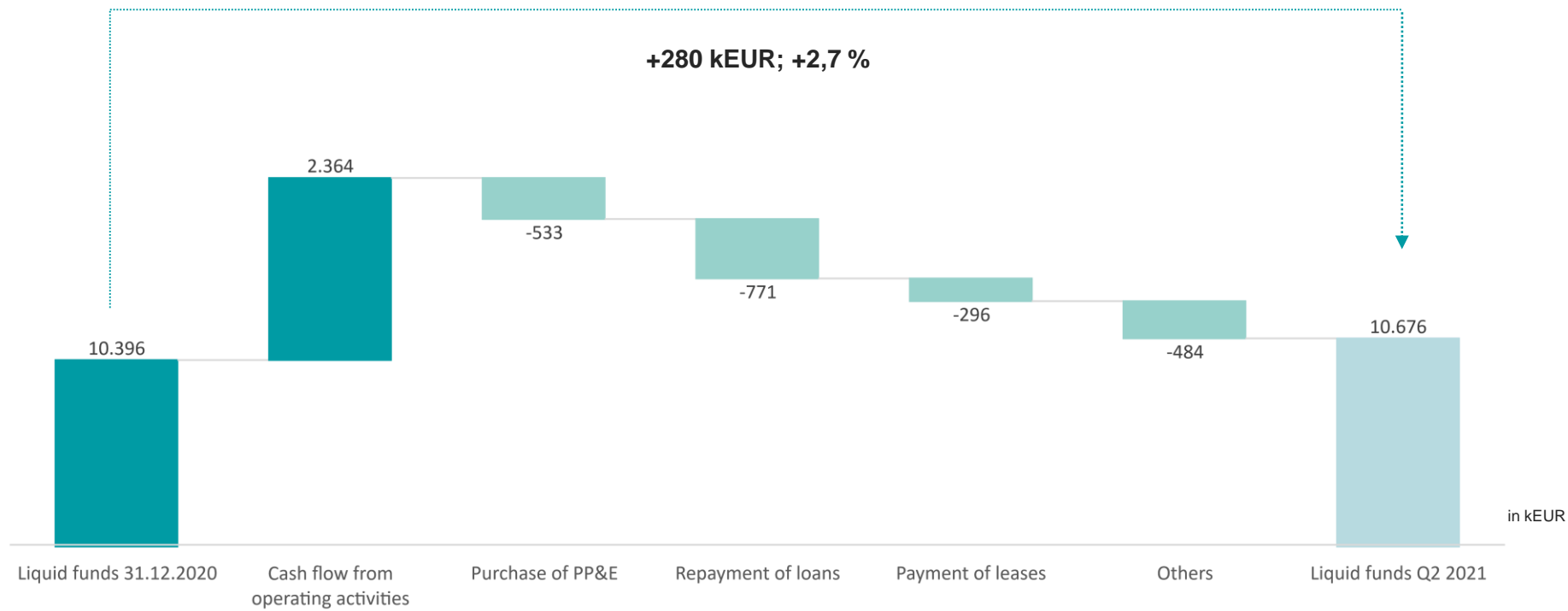
DEVELOPMENT OF IMPORTANT KEY FIGURES

INTERIM REPORT JANUARY TO JUNE 2021

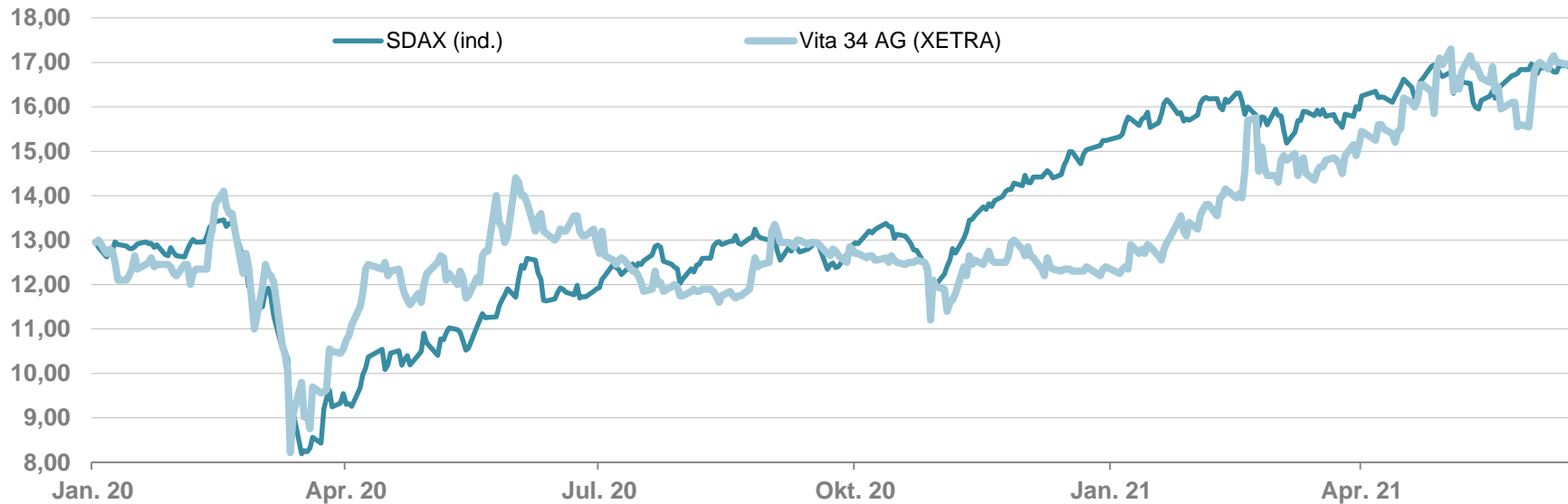
in EUR thousands	H1 2021	H1 2020	Δ abs	Δ [%]
Revenues	10,822	9,522	1,300	13.7
Gross profit	6,372	5,413	959	17.7
EBITDA	2,007	2,528	-521	-20.6
<i>EBITDA-Margin on revenues [%]</i>	18.5	26.6		-30.1
Adjusted EBITDA	3,180	2,644	536	20.3
Adjusted EBITDA-margin <i>on revenues [%]</i>	29.4	27.8		5.8
EBIT	483	1,052	-569	-54.1
Net earnings	-47	851	-899	-105.6
Earnings per share [EUR]	-0.01	0.21	-0.22	-104.8
	06/30/2021	12/31/2020	Δ abs	Δ [%]
Total assets	59,206	58,464	742	1.3
Equity	29,490	29,536	-46	-0.2
<i>Equity ratio [%]</i>	49.8	50.5		-1.4
Liquid funds	10,676	10,396	280	2.7

QUARTERLY STATEMENT H1 2021

CASH AND CASH EQUIVALENTS



SHARE PRICE DEVELOPMENT

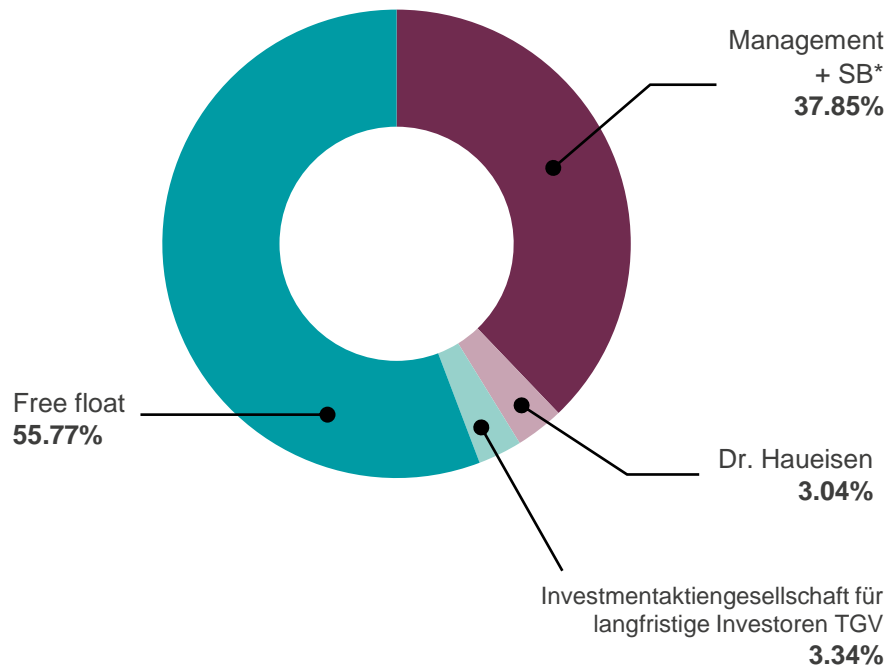


Key facts

ISIN	DE0007238008	High / Low (XETRA Close, since 01.01.20)	EUR 17.30 / 8.22
Segment	Prime Standard	Market Cap (15.06.2021)	EUR 70.48 m
Shares outstanding	4,145,959	Free float (15.06.2021)	59.11 %

VITA 34 SHAREHOLDER STRUCTURE

Shareholder structure (June 02, 2021)



*thereof 36.44% are attributed to Mr Florian Schuhbauer (32.56% AOC Health GmbH + 3.87% PBKM)

Analyst reports

Montega	2021/07/16	Buy	Target price : EUR 21.00
Warburg Research	2021/06/07	Hold	Target price : EUR 17.20

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