

**VITA 34 – THE CELL BANK**

**VITA34**

# **HOW TO BECOME A GLOBAL LEADER**

**INVESTOR PRESENTATION, JANUARY 2022**

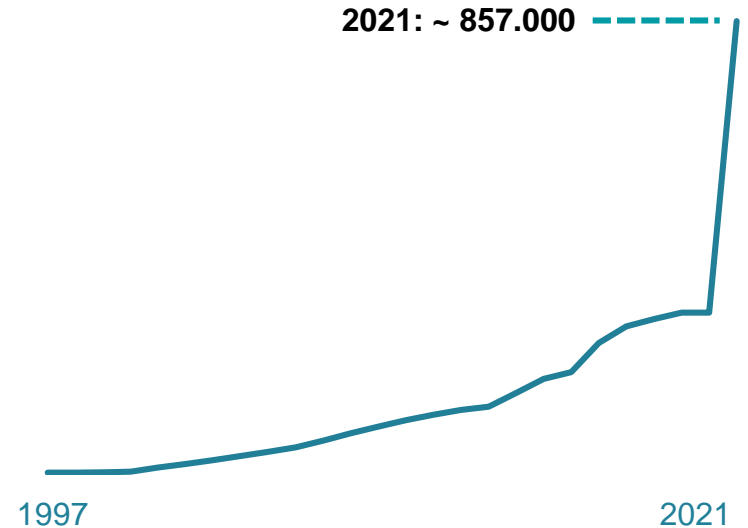


# FOCUS POINTS OF EQUITY STORY



- ✓ Founded in 1997, the Vita 34 Group today is the **leading cell bank in Europe** with around 850.000 total cell storages and clients from more than 20 countries
- ✓ Pioneering the cord blood banking industry in Europe, **Vita 34 constantly invests in R&D and thus opens new business opportunities** (e.g. Adipose Tissue, Immune Cells, SVF)
- ✓ In addition to organic growth, since 2010 the Company pursues a **substantial growth track via M&A**, successfully acquiring and integrating a total of seven competitors throughout Europe
- ✓ **In 2021 Vita 34 and its European peer PBKM/ FamiCord agree to join forces under the umbrella of Vita 34** with its strategically ideal set-up in DACH
- ✓ The combined entity is by far the **largest cell bank in Europe and the 3rd largest worldwide**

## Vita 34 - pure growth from day 1 Development of total cell storages



# GENERAL BUSINESS MODEL – STORAGE PROCESS

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 and clinics



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

# GENERAL BUSINESS MODEL – CRITICAL SUCCESS FACTORS



## High Market Coverage

- ✓ High market coverage of clinics (e.g. Germany ~90% of maternity clinics)
- ✓ Market partnerships provide further upside (e. g. B2B, National Cell Banks)

## Comprehensive Knowledge of GMP Processes

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



## Sophisticated Technology

- ✓ High cell yield
- ✓ Autologous and allogenic use
- ✓ Technology transfer is key to new products

## Innovative Product Pipeline

- ✓ New products in Cell Banking well on track
- ✓ Strong track record in certification processes
- ✓ Strong cash flow provides convenient R&D environment for Vita 34

# BUSINESS COMBINATION WITH PBKM – FORGING THE FUTURE GLOBAL LEADER



2017 – 2020

Occasional talks between  
Vita 34 and PBKM

31 May 2021

Vita 34 and PBKM sign business  
combination agreement

20 September 2021

Start of public exchange  
offer for PBKM shares

18 November 2021

Transaction settlement

7 July 2020

Anchor Investor of PBKM acquires  
>30% of Vita 34 shares

13 July 2021

Vita 34 AGM resolves  
capital increase

28. October 2021

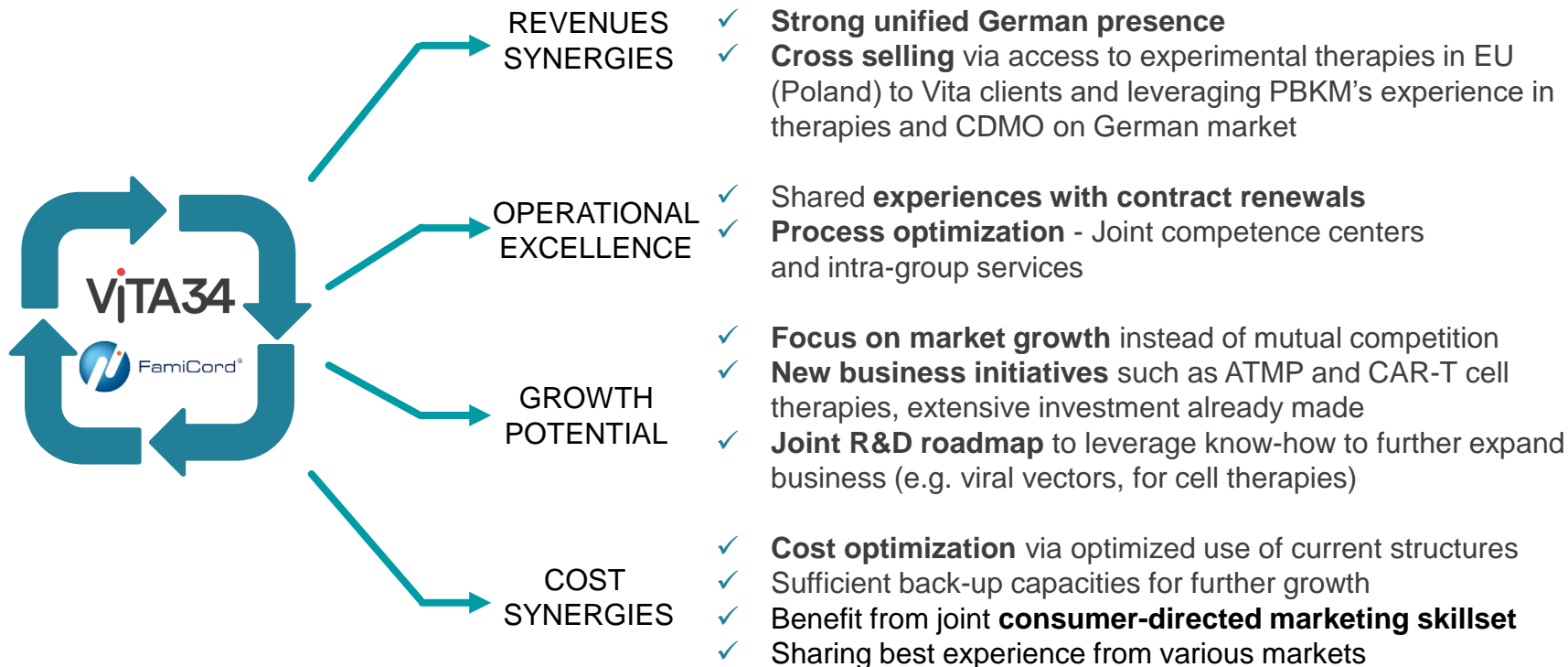
High acceptance rate  
of exchange offer  
of ~98%

## Next steps

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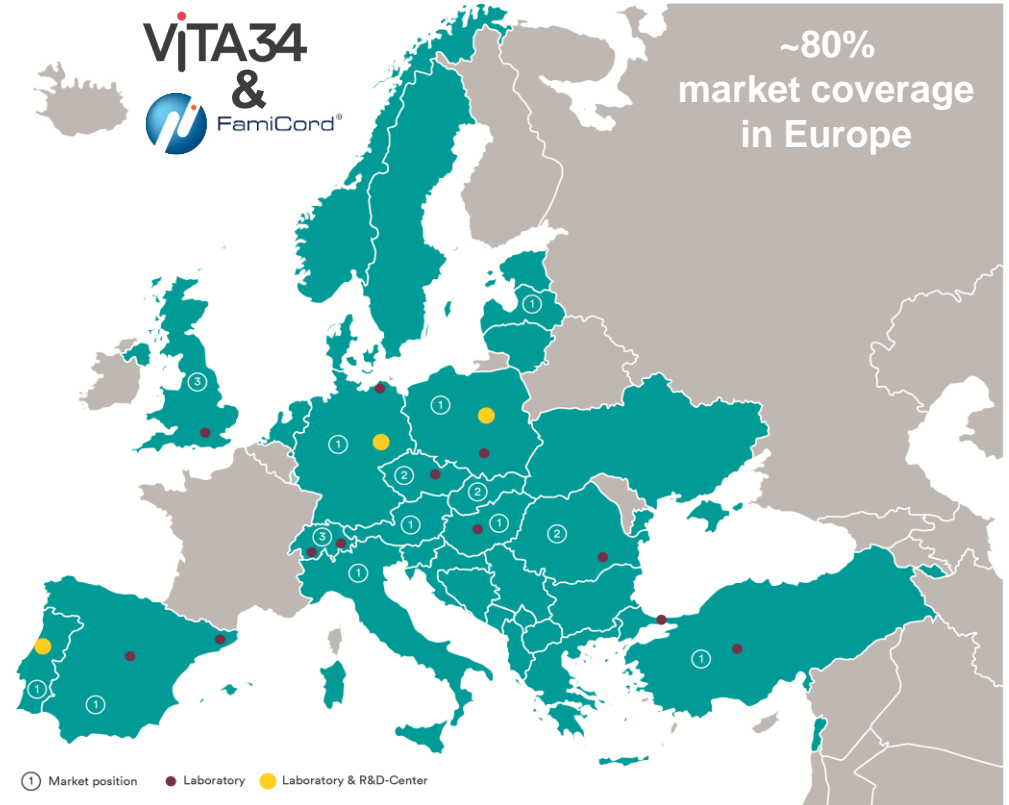
- Raise revenue & cost synergies in the combined new Group
- Full integration of both brands (Vita 34 & FamiCord) into combined Group until end of 2023
- Maximize operational excellence and streamline increased growth potential
- Total transaction cost: ~ EUR 3.5 million

# BUSINESS COMBINATION WITH PBKM – MERGER BENEFITS



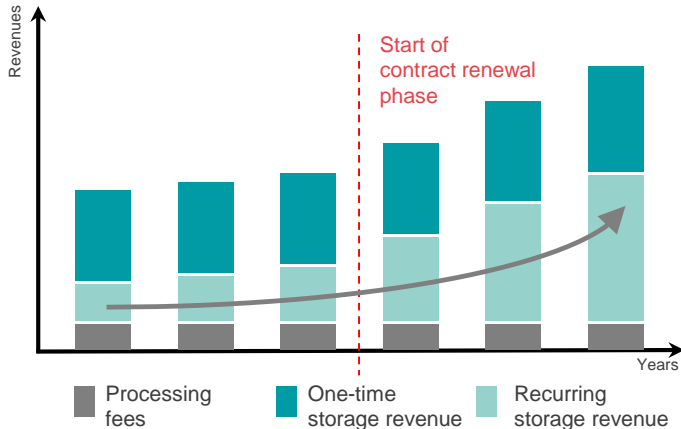
# EUROPEAN MARKET COVERAGE OF THE COMBINED ENTITY

- ✓ Business combination forges clearly dominant European market leader
- ✓ Perfect match: only ~15% overlap in operational business
- ✓ Operationally ideal setup: main activities in the heart of Europe
- ✓ Strong cash flow from operations as basis for accelerated organic & inorganic growth
- ✓ Finalization of industry consolidation in Europe as clear strategic target within max. 5 years
- ✓ Market intruders will be kept off European market by aggressive pricing strategies, if necessary
- ✓ First operations out of Europe: Middle East & Hong Kong as bridgeheads



# NEW STORAGES, RECURRING REVENUES & HIGH IMPACT OF CONTRACT RENEWALS

## Simplified illustration of revenue streams



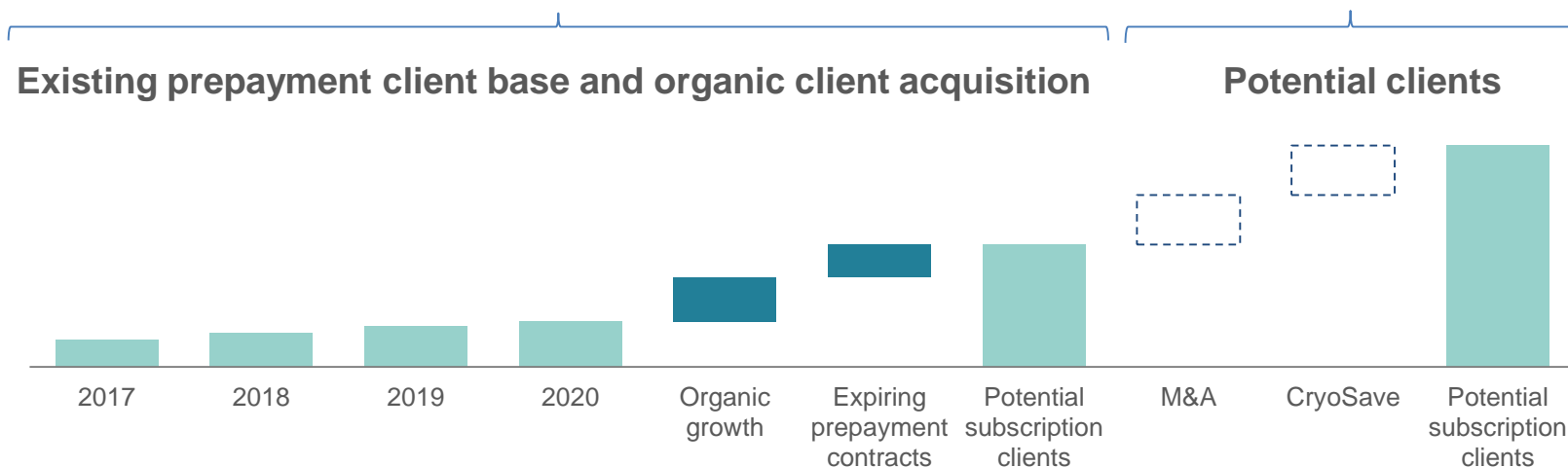
- ✓ About 70% of customers choose up-front payment (→ one-time revenue) vs. 30% yearly payment contracts (→ recurring revenue)
- ✓ Up-front payment contract usually have a fixed term of 20 to 25 years
- ✓ Renewals of contracts increase high-margin revenues
- ✓ Only about 5 percent of of clients decide not to renew contracts: **very low customer lifetime churn rate!**
- ✓ With start of contract renewal phase: **exponential growth of recurring revenues** lead to **exponential growth of cash flows** form existing customer base!

→ Due to maturity of business model: high number of contract renewals starting from 2021



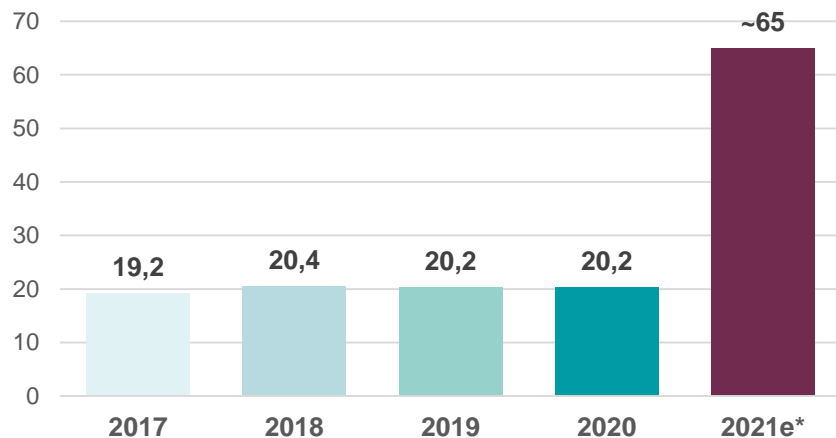
# ORGANICALLY GROWN & ACQUIRED CUSTOMERS FUEL FUTURE RECURRING REVENUES

## NUMBER OF CUSTOMERS IN SUBSCRIPTION PRICE MODELS



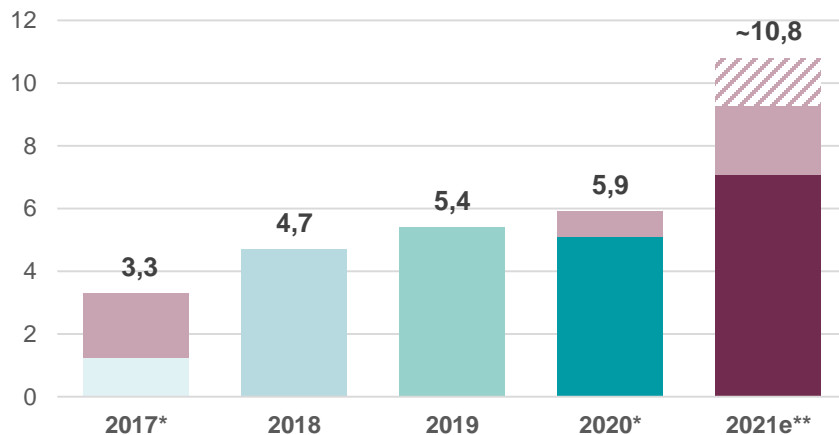
# DEVELOPMENT OF REVENUES AND EBITDA

## Revenues (in mEUR)



\* Aggregate mid-ranges of former official revenues guidances of Vita 34 and PBKM combined

## EBITDA (in mEUR)



\* Reported EBITDA adjusted for special items from transaction costs

\*\* Aggregate mid-ranges of former official EBITDA guidances of Vita 34 and PBKM combined adjusted for special items from transaction costs and special items from investments into R&D

**Vision 2021 Recap:** EBITDA expansion from EUR 3.3 m (2017) to > EUR 10 m

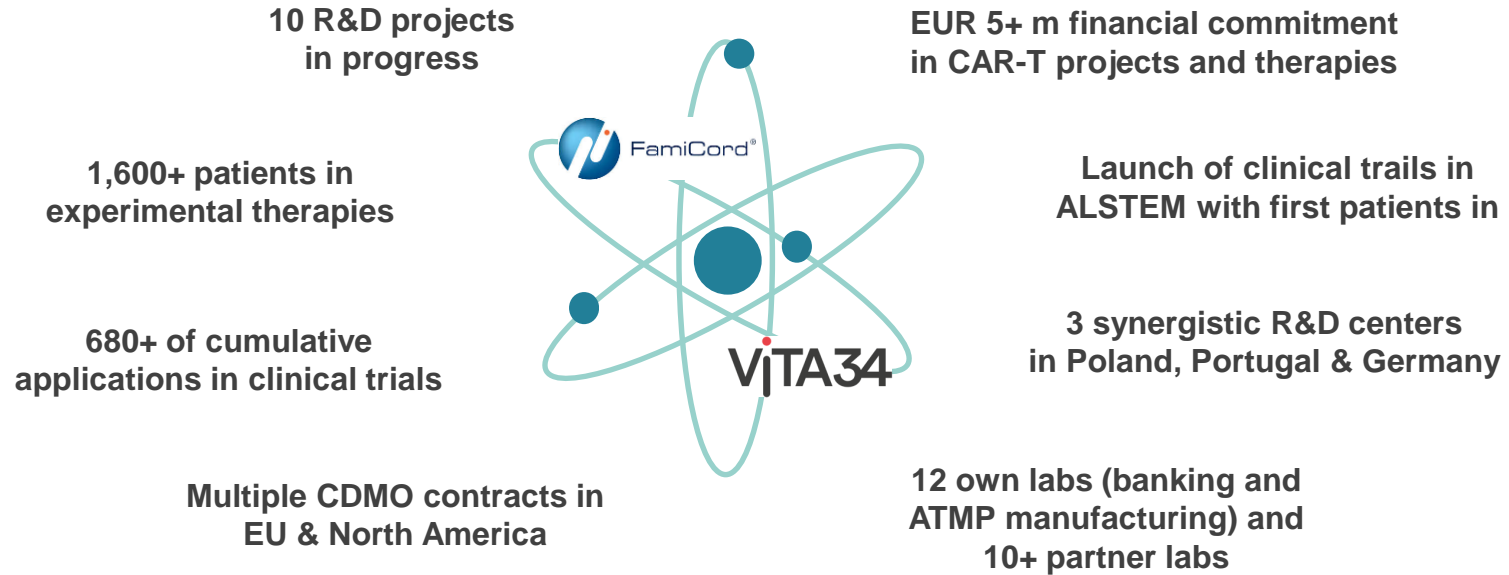


# FROM CELL STORAGE TO DRUG INNOVATION: ATMP-HE AND UNIQUE THERAPY DEVELOPMENT



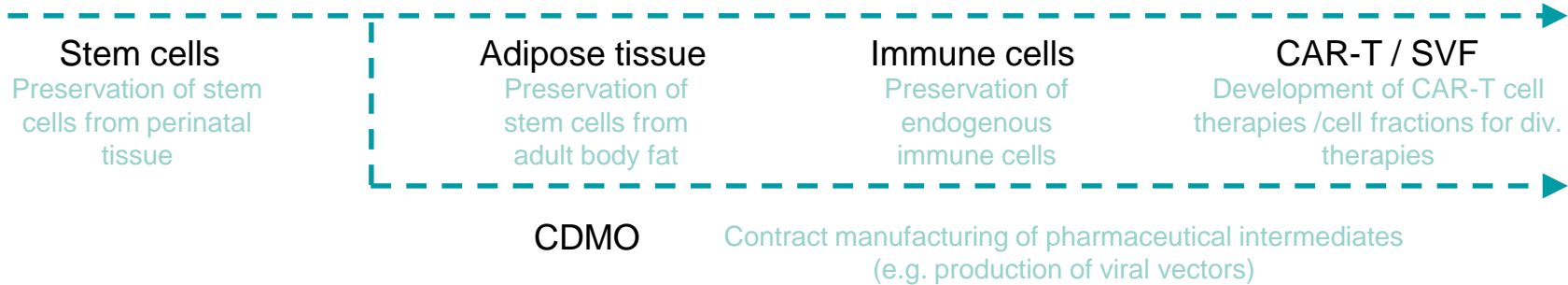
**Complementary R&D projects form basis for vast new business opportunities**

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# NEW GROUP WITH EVEN BROADER CELL-ORIENTED PORTFOLIO

From perinatal focus to comprehensive **service provider in personalized medicine**



# FORECAST & DIVIDEND MARKED BY CLEAR GROWTH COURSE

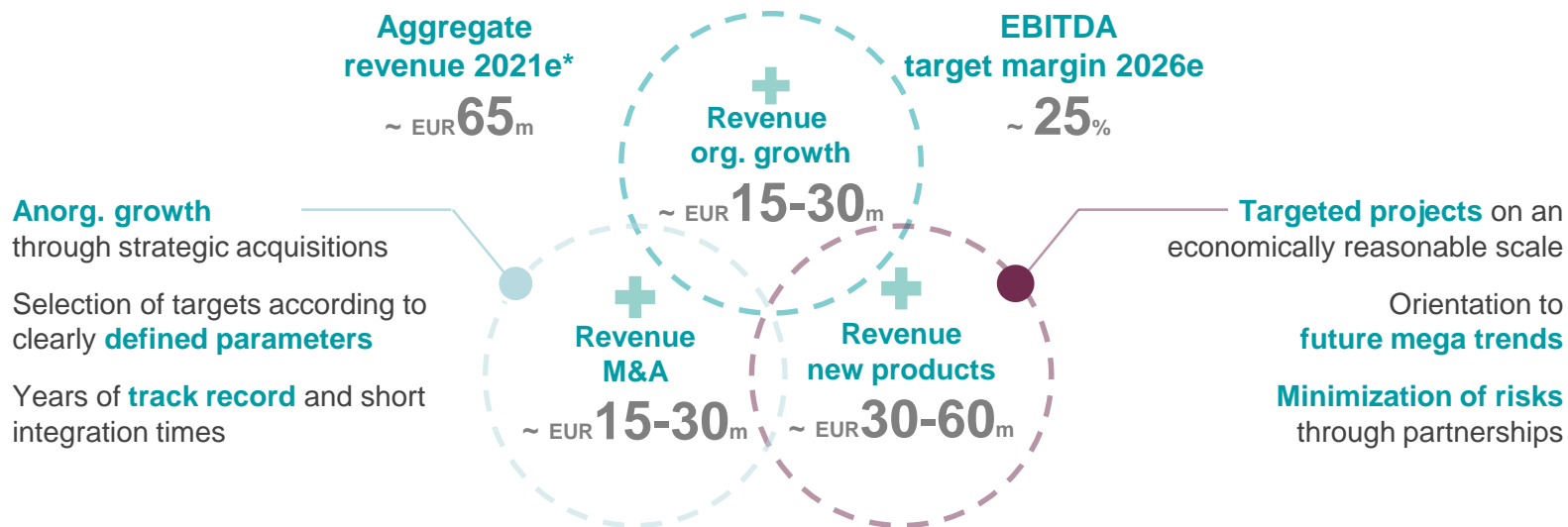
Revenue 2021e | EBITDA 2021e  
EUR 20.3 – 22.3 m | EUR 5.5 – 6.1 m



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- **2021 forecast cancelled** in November 2021 against background of business combination
  - **Unchanged positive development of operating business**; however, in the absence of consolidated business figures for the new Group as a whole, no realistic forecast possible for 2021
  - Forecast for fiscal year 2022 **upon presentation of consolidated figures in Q1 2022**
  - **Dividend** payment by Annual General Meeting 2020 **suspended** against background of COVID-19
  - **Future dividend payments to be reviewed** against background of accelerated growth path

# PERSPECTIVE UNTIL 2026 – MID-TERM DEVELOPMENT POTENTIAL

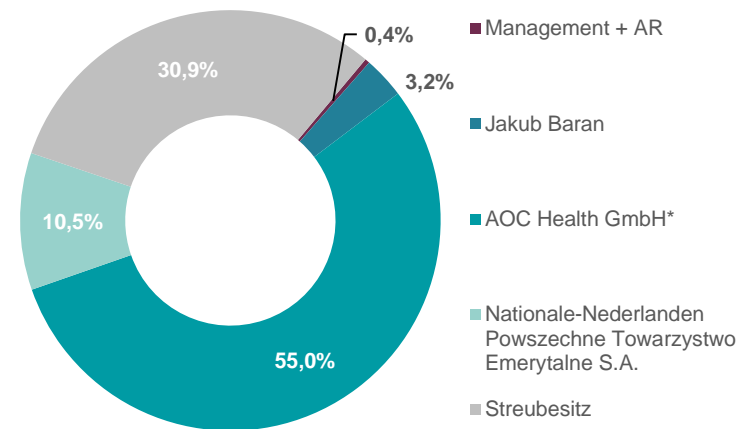
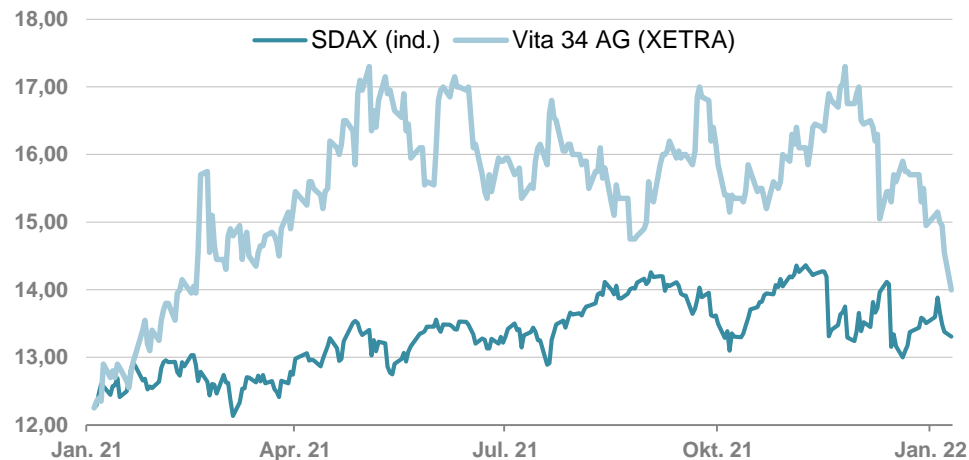
Following VISION 2021, the **PERSPECTIVE 2026\*\*** draws the big picture of the company's strategic approach for the next 5 years....



\* Aggregated average of the last official forecasts of Vita 34 and PBKM combined.

\*\* Revenue outlook 2026 is dependent on numerous external factors and therefore **not an official forecast / financial projection!**

# POTENTIAL NOT YET REFLECTED IN SHARE PRICE DEVELOPMENT



\* SB member F. Schuhbauer is a shareholder of AOC Health GmbH

## Key facts

ISIN	DE000A0BL849
Segment	Prime Standard
Shares outstanding	16,036,459

## Analyst coverage

Montega Research, Henrik Markmann	BUY, PT 21.00
Warburg Research, Cansu Tatar	tba, PT tba

# TECHNOLOGICAL APPENDIX



# NEW PRODUCT “IMMUNE CELLS” & ECONOMIC RATIONAL

VITA34

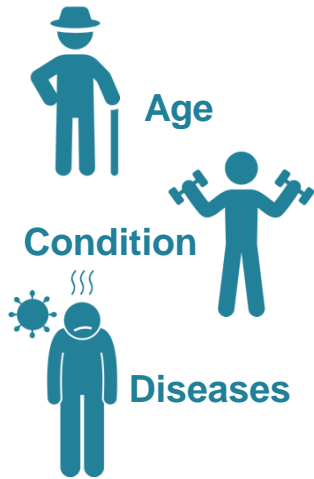


## Rationale behind the new product

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- ✓ 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
- ✓ High potential **Synergies from existing customers** (90% of customers “highly interested” in immune cell storage)

# FACTORS AFFECTING CAR-T PRODUCT QUALITY



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

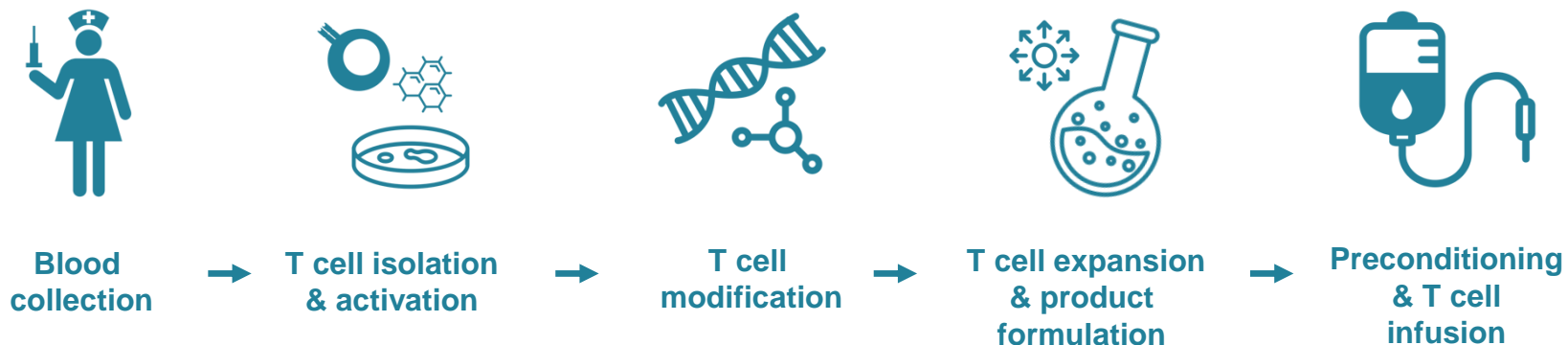


**Up to 10%**

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

# 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**

# CASE STUDY: NEW GROWTH INITIATIVES

## SIGNIFICANT REVENUE AND EARNINGS POTENTIAL



### CELL & GENE THERAPIES

#### BIOLOGICAL AGENTS (VIRAL VECTORS)

- ✓ B2B sale of stem cell lines to researching pharma companies, both for research grade and manufacturing / GMP grade
- ✓ Viral vectors demand growing at 13% p.a. driven by new gene therapy products and viral vaccines expanding
- ✓ Market value of viral vectors estimated at EUR 0.4 bn in 2020 and expected to reach EUR 0.7-0.9bn in 2025

#### Potential for Vita 34

- ✓ Niche occupation potential: Majority of players specialized in 2-4 types of vectors
- ✓ Potential 2-3 % market share → Revenues of EUR 15-25m

#### PHARMA CDMO (CONTRACTING BUSINESS)

- ✓ CDMO positioning as reliable development and manufacturing partner of cell and gene therapeutical products
- ✓ CAGR of market value expected to reach ~40% driven by increasing number of marketed therapies.
- ✓ Global demand to increase from EUR 1.5- 2.0bn in 2020 to EUR 3.0-5.0bn in 2025

#### Potential for Vita 34

- ✓ Lag of capacities in Europe leads to significant undersupply of cell therapy manufacturing
- ✓ Potential 0.5-1% market share → Revenues of EUR 15-30m



perfectly positioned!

- Experience with obtaining GMP certifications from various regulatory bodies
- Own established ATMP production with over 1.500 treated patients
- Access to labour at lower cost than in current cell & gene therapies

## Contact:

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### Vita 34 AG

Ingo Middelmenne

Investor Relations

Perlickstraße 5

04103 Leipzig

Tel. +49 341 48792 7574

Fax +49 341 48792 39

E-Mail: [ingo.middelmenne@vita34.de](mailto:ingo.middelmenne@vita34.de)

[www.vita34.de](http://www.vita34.de)

