



QUARTERLY STATEMENT

January to March 2022



LETTER FROM THE MANAGEMENT BOARD

Dear Shareholders,

We are in a year of transition in 2022. Following the merger of Vita 34 and PBKM to become the undisputed number 1 cell bank in Europe, new structures are being created, synergies are being identified and some of the duplicate activities, for example in Switzerland and Germany, are being merged. The size now created will also enable us to pursue new future fields, for example in Cell & Gene Therapies, with even greater vigor. Appropriate preparatory work must be done for this.

At the same time, in 2022, we face a double challenge: In addition to internal Group tasks, we will encounter a market with burdensome macro factors this year – and to an extent that we have not yet seen in Vita 34's corporate history to date. Specifically:

- the still ongoing impact of the pandemic, with infection numbers in the first three months of 2022 dwarfing anything we have seen to date,
- the outbreak of the Ukraine war caused by Russia,
- the emergence of strong inflation across Europe,
- the clearly noticeable rise in interest rates with negative effects on purchasing power,
- the record low birth rates in several countries caused in our opinion by the overall uncertainty.

In the past, our business had always been very resistant to the economic situation and, during the past two years, also unaffected by the pandemic. However, the addition of several of these factors and their specific impact on our customers – expectant parents – are affecting our market and thus also slowing down our business development. The very high number of Corona cases in the first three months of the fiscal year also led to pregnant women being affected more frequently and, as a result, to contracts not being concluded. The fear of war that emerged in the first quarter of 2022, which then became very real with the outbreak of the Ukraine war, strongly affected our potential customers, especially in the Eastern European countries. Rising interest rates in connection with short fixed-interest periods, which are common outside Germany, had an additional negative impact on the disposable household income of potential customers. Unprecedented rates of price increases also led to uncertainty and reluctance to make long-term consumption decisions.

We are very sure that this is a temporary effect. On the one hand, the current addition of several of these factors is almost unique and should dissipate in the medium term. On the other hand, the consumption behavior of people in the past shows that an adaptation to the new macro factors can take place very quickly. As a result, forward-looking decisions, such as those concerning the storage of umbilical cord blood and tissue for the additional health care of one's own children, will once again gain in importance.

We are committed to using this turbulent time for implementation of identified synergies, post-merger integration and optimization of various processes. For example, as already mentioned, we have now fully integrated our activities in Switzerland. In Spain, we have combined the business of our Group companies under the responsibility of a country manager. Furthermore, we have been able to gain first experience in joint purchasing. In addition, it will be necessary to standardize the IT systems and establish a Groupwide KPI system.

Despite the difficult environment, we achieved consolidated revenue of EUR 15.5 million in the first three months of 2022. Even though we are unable to provide comparable prior-year figures due to the merger with PBKM, which was not completed until November 2021, this figure shows two things: first, that we have now reached a completely new size after Vita 34's consolidated revenue of EUR 5.2 million in the prior-year period. And secondly, that we have thus still remained below our potential. In this context, it must be taken into account that the revenue development is significantly impacted by the Group-wide application of IFRS 15 (revenue recognition) at the level of the subgroup PBKM in the amount of EUR 2.0 million. This effect, which is also fully recognized in profit or loss, will only gradually dissipate in the second half of the year, when we structure our customer contracts in such a way that revenue from newly concluded contracts can be recognized again to a certain extent already at the beginning of the contract and thus closer to economic reality. However, the effects are currently very clearly visible in the results. EBITDA after three months of 2022 was EUR -1.1 million. In the previous year, we achieved EBITDA of EUR 0.9 million on a non-comparable basis.

Our realignment in the year of transition coincides with a very difficult market. We see this as a particular opportunity for us to be optimally structured and prepared to seize market potentials as soon as the market environment becomes much more positive again. On the basis of our new size alone, we are very confident about the future development of our Group. In Europe, we have already achieved a unique market position as number 1. And as the world's number 3, we have grown into a new partner for the pharmaceutical industry. At the same time, we are vigorously driving forward our new expanding business areas of Cell & Gene Therapies (incl. CAR-T) and CDMO. Thus, we are strongly positioned for the future. When market demand picks up again, which we believe is rather a matter of months and not of years, we intend to actively profit again from our position of strength and grow disproportionately.

In a draft resolution for the Annual General Meeting on June 29, 2022, we announced that we plan to change the name of Vita 34 AG to FamiCord AG while retaining the brand name "Vita 34", which is important for communication with our customers. This, not least, is intended to underline our aspiration to become more than just the world's largest stem cell bank.

Leipzig, May 2022


The Management Board of Vita 34 AG



Jakub Baran
Chief Executive
Officer



Andreas Schafhirt
Chief Financial
Officer



Tomasz Baran
Chief Commercial
Officer

GROUP KEY FIGURES

		Q1 2022	Q1 2021*
Statement of income			
Sales revenue	EUR thousand	15,480	5,201
Gross profit	EUR thousand	3,592	3,021
EBITDA	EUR thousand	-1,064	871
EBITDA margin as a percentage of sales	%	-6.9	16.7
Operating result (EBIT)	EUR thousand	-3,195	134
Net result for the period	EUR thousand	-2,937	-169
Earnings per share	EUR	-0.18	-0.04
Balance sheet			
		Mar. 31, 2022	Dec. 31, 2021
Balance sheet total	EUR thousand	177,470	177,946
Equity	EUR thousand	41,362	41,942
Equity ratio	%	23.3	23.6
Liquid funds	EUR thousand	31,924	33,298
Cash flow			
		Q1 2022	Q1 2021*
Cash flow from investing activities	EUR thousand	-1,072	-101
Depreciation and amortization	EUR thousand	2,130	737
Cash flow from operating activities	EUR thousand	423	1,047
Employees			
		Mar. 31, 2022	Dec. 31, 2021
At the reporting date	Number	845	775

* Prior-year figures adjusted. The adjustments are explained in Note 2.3 of the Annual Report 2021.

Business Development and Results of Operations

Note: The prior-year figures have been adjusted due to findings of the German Financial Reporting Enforcement Panel (FREP). The periods Q1/2022 and Q1/2021 are not comparable as PBKM was not consolidated until November 8, 2021.

In the first quarter of 2022, the Vita 34 Group was able to achieve revenues of EUR 15.5 million. Cost of sales increased by EUR 9.7 million to EUR 11.9 million. The disproportionate increase in relation to the cost of sales ratio is due in particular to effects from PBKM, which has a higher cost of sales ratio. This also reflects the fact that the subgroup PBKM generates a higher proportion of its revenue in countries with lower purchasing power and therefore with pricing at lower margins. Marketing and selling expenses amounted to EUR 2.3 million in the first quarter of 2022 (previous year: EUR 1.2 million) and reflect marketing

and sales activities, which are being deliberately continued despite the currently weaker market environment. Also, the administrative costs of EUR 4.9 million maintain on a high level, which is partly due to further expenses for the new activities in Cell & Gene Therapies (incl. CAR-T) and CDMO. In the current early stage of the Group-wide integration, there is a strong focus on achieving growth synergies. In addition to some cost-cutting and cost shifting measures, it is a deliberate strategic decision to keep marketing efforts as well as staffing basically at a level that will allow Vita 34 to fully benefit when demand revives. Other operating expenses amounted to EUR 0.4 million and were thus significantly below the previous year's figure of EUR 0.7 million, which is due in particular to non-recurring expenses in 2021 in connection with the business combination.

EBITDA for the first three months of 2022 was EUR –1.1 million (previous year: EUR 0.9 million). EBIT for the first quarter of 2022 amounted to EUR –3.2 million (previous year: EUR 0.1 million). The result for the period was EUR –2.9 million (previous year: EUR –0.2 million) and corresponds to earnings per share of

EUR –0.18 (previous year: EUR –0.04) for the three-month period. In addition to the operating influences described above, revenue and earnings are also heavily impacted by the accounting effects mentioned in the beginning (IFRS 15).

Development in the Segments

Since the merger with PBKM, the Vita 34 Group reports on the two segments subgroup Vita 34 and subgroup PBKM.

In the segment subgroup Vita 34, revenue in the first quarter of 2022 decreased by 12.6% from EUR 5.2 million to EUR 4.5 million. This was due to the environmental factors described above, which also impacted demand in the DACH region. The segment's EBITDA amounted to EUR 0.3 million, compared with EUR 0.9 million in the prior-year period.

In the segment subgroup PBKM, revenue for the first three months of 2022 amounted to EUR 10.9 million. Comparable prior-year figures are not available. However, here, the market environment also led to a significant impact on storage figures and revenue. The segment's EBITDA amounted to EUR –1.3 million.

Financial Position and Net Assets

Cash flow from operating activities decreased in the first three months of 2022 from EUR 1.0 million in the prior-year period to EUR 0.4 million. This was mainly due to the decline in earnings, which could not be fully offset by increased depreciation and amortization and higher contract liabilities. The comparability of the cash flow statement with the prior-year period is also very limited. The share of contracts concluded with tissue storage continues to grow significantly, leading to an increase in revenue per contract concluded as well as recurring revenue and thus to higher cash flows in the future. The same applies to the rising number of contract renewals. In addition, we are pushing annual subscription models in several countries. It lowers entry barriers for our customers, which is a key factor in the present economic environment, but also results in lower short term cash flows. Over time, this effect reverses and leads to higher overall cash flows. In addition, we aim to increase our market share in the United Kingdom by establishing an attractive pricing policy.

Against the background of the newly created size of the Group, cash flow from investing activities increased from EUR –0.1 million to EUR –1.1 million on the basis of the significantly larger company as a whole. The Vita 34 Group continues to invest prudently and primarily in the area of maintenance investments. In addition, further funds were invested in the areas of Cell & Gene Therapies (incl. CAR-T) and CDMO, especially for new laboratory equipment.

Cash flow from financing activities increased from EUR –0.5 million to EUR –0.7 million. It was mainly affected by scheduled repayment of financial loans, payments for leases as well as inflows from transactions with minority shareholders.

Cash and cash equivalents amounted to EUR 31.9 million as of March 31, 2022 (December 31, 2021: EUR 33.3 million).

There were no significant changes in the Group's financial position and net assets in the first three months of 2022 compared with December 31, 2021. The balance sheet total was virtually unchanged at EUR 177.5 million and is composed of equity of EUR 41.4 million (December 31, 2021: EUR 41.9 million) and liabilities of EUR 136.1 million (December 31, 2021: EUR 136.0 million). The equity ratio decreased slightly from 23.6% to 23.3%.

Forecast

Against the background of the tense economic and market environment, the Management Board continues to expect consolidated revenue of between EUR 68 million and EUR 75 million for the full year 2022. Despite cost adjustments, the Management Board currently anticipates a significant decline in earnings. The ongoing initiatives in the area of Cell & Gene Therapies (incl. CAR-T) as well as in the area of CDMO will additionally affect the expected results. EBITDA is still projected to be in the range of EUR –2 million to EUR 1 million. Effects from potential acquisitions considered in 2022, including the resulting transaction costs, as well as other non-recurring effects are not included in the forecast. With regard to the recognition of revenue in accordance with IFRS 15, the Management Board assumes that, with appropriate

adjustments to the terms and conditions of customer contracts, it will again be possible to recognize revenue from newly concluded contracts to a greater extent at the beginning of the contract from the second half of the year onwards. A corresponding volume of revenue has been assumed for the forecast. We believe that the current economic situation in our industry will contribute to a further market shakeout. This holds additional opportunities for a good recovery after the current difficult economic situation has been overcome.

The estimate is based on a constant exchange rate of the euro to the Polish zloty and other currencies (HUF, RON, TRY, GBP) compared with March 31, 2022.

Share

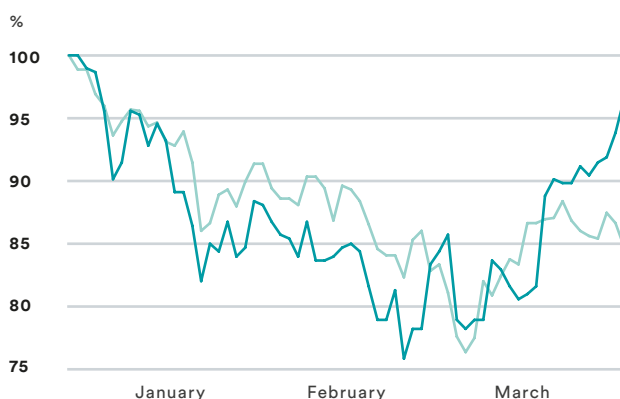
Key Share Data Q1 2022

Ticker symbol/Reuters symbol	V3V/V3VGn.DE
WKN/ISIN	A0BL84/DE000A0BL849
Number of shares	16,036,459
Price on 01/03/2022*	EUR 15.10
Price on 03/31/2022*	EUR 14.60
Market capitalization (03/31/2022)	EUR 234.1 million

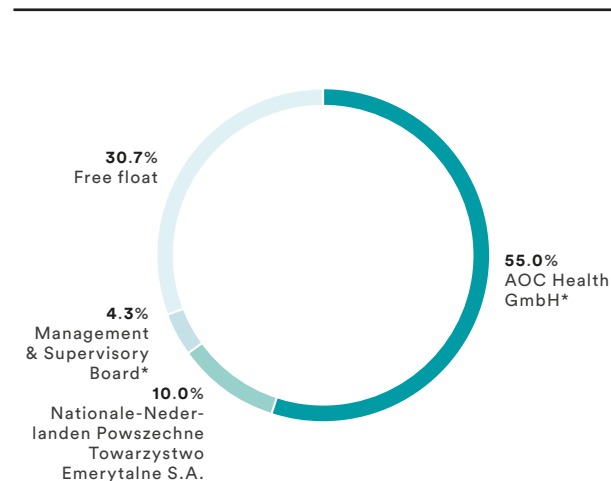
* Closing prices Xetra trading system of Deutsche Börse AG

Share Price Development Q1 2022

— Vita 34 AG (indexed) — SDAX (indexed)



Shareholder Structure (as of March 31, 2022)



* The Deputy Chairman of the Supervisory Board, Florian Schuhbauer, is a shareholder of AOC Health GmbH

Consolidated Income Statement

EUR thousand	Q1 2022	Q1 2021*
Sales revenue	15,480	5,201
Cost of sales	-11,888	-2,180
Gross profit on sales	3,592	3,021
Other operating income	750	110
Marketing and selling costs	-2,257	-1,196
Administrative expenses	-4,907	-1,129
Other operating expenses	-372	-672
Operating result (EBIT)	-3,195	134
Financial income	134	13
Financial expenses	-425	-43
Earnings before taxes	-3,486	104
Income tax expense/income	549	-273
Result for the period after taxes	-2,937	-169
Attributable to:		
Owners of the parent company	-2,810	-170
Non-controlling interests	-127	1
Earnings per share, undiluted/diluted (EUR)		
Undiluted and diluted, relating to the result for the period attributable to the holders of ordinary shares of the parent company	-0.18	-0.04

* Prior-year figures adjusted. The adjustments are explained in Note 2.3 of the Annual Report 2021.

Consolidated Balance Sheet (Assets)

Assets

EUR thousand	Mar. 31, 2022	Dec. 31, 2021
Non-current assets		
Goodwill	53,653	53,653
Intangible assets	22,049	22,828
Property, plant and equipment	22,027	21,861
Right-of-use assets	11,205	10,012
Shares in associated companies	417	422
Other financial assets	925	1,005
Other non-financial assets	1,553	1,559
Deferred tax assets	9,138	9,144
Contract assets	1,182	1,089
Trade receivables	575	575
Restricted cash	119	119
	122,842	122,267
Current assets		
Inventories	3,433	3,299
Trade receivables	12,303	12,113
Income tax receivables	579	1,044
Contract assets	2,624	2,811
Other financial receivables and assets	1,987	2,076
Other non-financial receivables and assets	1,778	1,038
Cash and cash equivalents	31,924	33,298
	54,627	55,679
Total assets	177,470	177,946

Consolidated Balance Sheet (Equity and Liabilities)

Equity and liabilities

EUR thousand	Mar. 31, 2022	Dec. 31, 2021
Equity		
Subscribed capital	16,036	16,036
Capital reserves	36,960	36,960
Retained earnings	-5,701	-5,120
Other reserves	-2,764	-1,989
Treasury shares	-2,813	-2,813
Non-controlling interests	-358	-1,133
	41,362	41,942
Non-current liabilities		
Interest-bearing loans	9,562	11,017
Leasing liabilities	9,819	8,777
Deferred grants	806	835
Contract liabilities	42,582	41,696
Provisions	294	286
Pension provisions	36	36
Deferred income taxes	4,859	5,714
Other financial liabilities	3,465	3,375
Other non-financial liabilities	908	892
	72,330	72,629
Current liabilities		
Trade payables	7,022	8,250
Provisions	10	10
Income tax payables	340	404
Interest-bearing loans	10,444	10,445
Lease liabilities	2,488	2,202
Deferred grants	315	361
Repayment obligations	23,738	21,837
Contract liabilities	14,147	14,786
Other financial liabilities	1,499	1,606
Other non-financial liabilities	3,776	3,475
	63,778	63,375
Total equity and liabilities	177,470	177,946

Consolidated Cash Flow Statement

EUR thousand	Q1 2022	Q1 2021*
Cash flow from operating activities		
Earnings for the period before taxes	-3,486	104
Adjusted for:		
Depreciation and amortization	2,130	737
Other non-cash expenses/income	69	6
Financial income	-134	-13
Financial expenses	425	43
Changes in working capital:		
+/- Inventories	-134	42
+/- Receivables and other assets	-594	-413
+/- Contract assets	-67	-158
+/- Liabilities	135	618
+/- Contract liabilities	2,168	263
+/- Provisions	0	-5
Interest paid	-191	-37
Income taxes paid	100	-140
Cash flow from operating activities	423	1,047
Cash flow from investing activities		
Purchase of intangible assets	-152	0
Purchase of property, plant, and equipment	-1,001	-203
Proceeds from the sale of financial investments	0	99
Interest received	81	3
Cash flow from investing activities	-1,072	-101
Cash flow from financing activities		
Transaction with non-controlling interests	1,311	0
Proceeds from taking out financial loans	286	0
Payments for the repayment of financial loans	-1,924	-385
Payments for leases	-635	-144
Proceeds from grants received	237	0
Cash flow from financing activities	-725	-530
Net change in cash and cash equivalents	-1,375	417
Cash and cash equivalents at the beginning of the reporting period	33,298	10,396
Cash and cash equivalents at the end of the reporting period (liquid funds)	31,924	10,813

* Prior-year figures adjusted. The adjustments are explained in Note 2.3 of the Annual Report 2021.

FINANCIAL CALENDAR 2022

06/29/2022

08/30/2022

11/22/2022

Annual General Meeting

Interim Report (January to June)

Quarterly Statement (Q3)

IMPRINT

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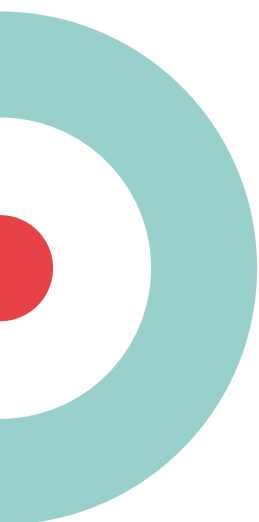
CONCEPT & DESIGN

Silvester Group, Hamburg

PUBLICATION

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Vita 34's website: www.vita34group.de

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