Grifols acquires Tiancheng Pharmaceutical Holdings, the largest shareholder of Biotest, to increase patients’ access to plasma therapies

- Grifols agrees to acquire the existing share capital of Tiancheng (Germany) Pharmaceutical Holdings for EUR 1,100 million. Tiancheng (Germany) Pharmaceutical Holdings is the owner of 90% of Biotest ordinary shares and 1% of Biotest preferred shares
- The transaction values Biotest’s Equity at EUR 1.6 billion. Grifols launches a voluntary tender offer for the shares of Biotest
- Biotest is a German public listed healthcare company specialized in innovative hematology and clinical immunology with an attractive pipeline with novel proteins that complement Grifols’ product portfolio
- By joining forces, Biotest and Grifols will increase plasma therapies availability, ensuring greater patient access to plasma medicines across the world
- This acquisition will notably strengthen Grifols’ industry positioning by accelerating and expanding its pipeline and commercial footprint and allowing the company to improve its plasma economics and margins
- Innovative therapies, revenue and cost synergies are projected to create additional significant value, driving revenue growth and margin expansion: over EUR 7 billion in combined revenues, more than EUR 2 billion in EBITDA, 30%+ EBITDA margin and a leverage ratio below 3.5x by 2024
- The transaction is subject to regulatory approvals and conditions and is expected to close by the end of the first semester of 2022

Barcelona (Spain), September 17, 2021.- Grifols (MCE:GRF, MCE:GRF.P, NASDAQ:GRFS), a global healthcare leader with a track record of more than 110 years dedicated to enhancing people’s health and well-being and a forerunner in plasma-derived medicines, transfusion diagnostics and hospital pharmacy solutions, today announced its agreement with Tiancheng International Investment Ltd. (private company registered in Hong Kong) to acquire 100% of the shares of Tiancheng (Germany) Pharmaceutical Holdings AG, German company owner of 89.88% of Biotest ordinary shares and 1.08% of Biotest preferred shares for EUR 773 million and a loan in the amount of EUR 313 million.
The operation assessed Biotest’s equity and enterprise value at approximately EUR 1.6 billion and EUR 2 billion, respectively.

Upon completion of the transaction, Grifols will indirectly own 17,783,776 ordinary shares in Biotest, representing about 89.88% of Biotest’s voting rights and 44.94% of total share capital, and 214,581 preferred shares in Biotest, representing about 0.54% of the total share capital.

The ordinary shares in Biotest indirectly held by Tiancheng International Investment Ltd. have been valued at EUR 43.00 per ordinary share and the preferred shares at EUR 37.00 per preferred share.

Parallel to the transaction, Grifols launches a voluntary public tender offer to all outstanding ordinary and preferred shareholders to acquire in cash Biotest’s remaining ordinary and preferred shares for EUR 43.00 and EUR 37.00, respectively.

This transaction reflects how Biotest and Grifols live out its missions and jointly advance towards increasing global plasma-derived therapies availability while meeting patients’ needs around the world.

This acquisition will significantly reinforce Grifols’ industry capabilities by enhancing its plasma-derived medicines access, pipeline, and sales presence. Furthermore, it will provide access to new scientific and industrial capabilities. It will also improve Grifols’ plasma economics and revenue per liter, bringing innovative plasma proteins to drive revenue growth and margin expansion.

In parallel, Grifols will also expand and diversify its plasma sourcing through the addition of 26 European plasma centers and strengthen its operations and revenues in EMEA (Europe, the Middle East, and Africa) region.

As Raimon Grífols Roura, co-CEO, observes, “This unique opportunity will allow Grifols and Biotest to mark a new milestone while shaping the plasma industry. It will enlarge our existing portfolio of plasma-derived therapies and fast-track the development of new products, with a concerted focus on delivering value to patients, shareholders, and other key stakeholders. We look forward to partnering with the Biotest team.”

Victor Grífols Deu, co-CEO, agreed, adding, “This operation offers a singular opportunity to promote our European innovation hub and collaborate with an outstanding German firm renowned for its expertise in clinical development. By joining forces, we aim to advance innovative scientific and plasma-derived developments that ultimately offer patients an enhanced quality of life.”

The transaction is subject to regulatory approvals and other conditions. It is expected to close by the end of the first semester of 2022.

Grifols retained Osborne Clarke Spain, Germany and UK and Proskauer Rose, L.L.P as legal advisors and Nomura Securities International, Inc. and UBS Europe SE as financial advisors.
A complementary investment to boost performance

- Grifols and Biotest share similar values and corporate cultures stemming from family origins
- Improved plasma economics and revenue per liter by leveraging currently unused proteins and Grifols’ global network of plasma centers
- Notable increase in revenues and profit margins starting in 2023 through new product launches
- Significant revenues and cost synergies to develop, produce and distribute plasma-derived therapies
- Accelerated product-development pipeline
- Greater geographic balance of plasma sourcing and revenues
- Leading industrial capacity of more than 20 million liters of plasma by 2021
- By 2024, Grifols expects combined revenues of over EUR 7 billion, more than EUR 2 billion in EBITDA, EBITDA margin higher than 30%, and leverage ratio below 3.5x

About Biotest

Founded in 1946, Biotest AG is a global company listed on the Frankfurt Stock Exchange that specializes in innovative hematology and clinical immunology solutions. Headquartered in Dreieich (Germany), it develops, produces and markets biological medicinal products with applications in hematology, clinical immunology and intensive care. The company’s current portfolio includes 12 different products with a global commercial footprint in more than 90 countries. Biotest employs 1,928 people around the world.

As part of a broader pipeline, Biotest is leading clinical trials on plasma-derived fibrinogen (BT-524) to treat congenital and acquired disorders. These include the Adjusted Fibrinogen Replacement Strategy (AdFirst) study in patients with high blood loss during spine surgery and abdominal surgery for treatment of pseudomyxoma peritonei (PMP).

Biotest is also conducting a clinical trial on plasma-derived IgM concentrated (Trimodulin, BT-588) for the treatment of patients with severe community-acquired pneumonia (sCAP).

In addition to fibrinogen and IgM, the company’s pipeline also includes several plasma-derived assets.

Biotest has a manufacturing capacity of up to 1.5 million liters of plasma annually, which it expects to double through the Biotest Next Level Project. Its plasma center network includes 26 European centers located in Germany, Czech Republic and Hungary.

In 2020, Biotest reported EUR 484 million in revenues and an Adjusted EBITDA of EUR 108 million.
Financial highlights of the transaction

The investment in cash represents a 23% premium to Biotest's ordinary shares 30-day VWAP (volume weighted average price) and an aggregate consideration of approximately EUR 2 billion, including the assumption of Biotest's net debt.

To fund the transaction, Grifols has received a bridge financing commitment for EUR 2 billion unsecured bridge financing commitment provided by BofA Securities.

Grifols plans to explore its financing options for unsecured debt.

Grifols is highly confident about achieving this deleveraging profile using all its available tools, as necessary. Grifols does not expect to pursue any meaningful M&A or cash dividends until leverage is below 4x.

---

**Investor contact:**
**Investor Relations and Sustainability**
inversores@grifols.com - investors@grifols.com
sostenibilidad@grifols.com - sustainability@grifols.com
Tel. +34 93 571 02 21

**Media contacts:**
Raquel Lumbleras
Raquel_lumbreras@duomocomunicacion.com
Borja Gómez
Borja_gomez@duomocomunicacion.com
Duomo Comunicación – Grifols Press Office
Tel. +34 91 311 92 89 - 91 311 92 90
+34 659 57 21 85 / +34 650 40 22 25

---

**About Grifols**

Grifols is a global healthcare company founded in Barcelona in 1909 committed to improving the health and well-being of people around the world. Its four divisions - Bioscience, Diagnostic, Hospital and Bio Supplies - develop, produce and market innovative solutions and services that are sold in more than 100 countries.

Pioneers in the plasma industry, Grifols operates a growing network of donation centers worldwide. It transforms collected plasma into essential medicines to treat rare, chronic and, at times, life-threatening conditions. As a recognized leader in transfusion medicine, Grifols also offers a comprehensive portfolio of solutions designed to enhance safety from donation to transfusion. In addition, the company supplies tools, information and services that enable hospitals, pharmacies and healthcare professionals to efficiently deliver expert medical care.

Grifols, with close to 24,000 employees in 30 countries, is committed to a sustainable business model that sets the standard for continuous innovation, quality, safety and ethical leadership.
In 2020, Grifols’ economic impact in its core countries of operation was EUR 7.5 billion. The company also generated 140,000 jobs, including indirect and induced jobs.

The company’s class A shares are listed on the Spanish Stock Exchange, where they are part of the Ibex-35 (MCE:GRF). Grifols non-voting class B shares are listed on the Mercado Continuo (MCE:GRF.P) and on the U.S. NASDAQ through ADRs (NASDAQ:GRFS).

For more information about Grifols, please visit www.grifols.com

LEGAL DISCLAIMER

The facts and figures contained in this report that do not refer to historical data are “future projections and assumptions”. Words and expressions such as “believe”, “hope”, “anticipate”, “predict”, “expect”, “intend”, “should”, “will seek to achieve”, “it is estimated”, “future” and similar expressions, in so far as they relate to the Grifols group, are used to identify future projections and assumptions. These expressions reflect the assumptions, hypotheses, expectations and predictions of the management team at the time of writing this report, and these are subject to a number of factors that mean that the actual results may be materially different. The future results of the Grifols group could be affected by events relating to its own activities, such as a shortage of supplies of raw materials for the manufacture of its products, the appearance of competitor products on the market, or changes to the regulatory framework of the markets in which it operates, among others. At the date of compiling this report, the Grifols group has adopted the necessary measures to mitigate the potential impact of these events. Grifols, S.A. does not accept any obligation to publicly report, revise or update future projections or assumptions to adapt them to events or circumstances subsequent to the date of writing this report, except where expressly required by the applicable legislation. This document does not constitute an offer or invitation to buy or subscribe shares in accordance with the provisions of the following Spanish legislation: Royal Legislative Decree 4/2015, of 23 October, approving recast text of Securities Market Law; Royal Decree Law 5/2005, of 11 March and/or Royal Decree 1310/2005, of 4 November, and any regulations developing this legislation. In addition, this document does not constitute an offer of purchase, sale or exchange, or a request for an offer of purchase, sale or exchange of securities, or a request for any vote or approval in any other jurisdiction. The information included in this document has not been verified nor reviewed by the external auditors of the Grifols group.
Grifols
Biotest AG Investment
This presentation and our discussions during this conference call does not constitute an offer or invitation to purchase or subscribe shares, in accordance with the provisions of the Spanish Securities Market Law (Royal Legislative Decree 4/2015, of 23 October, as amended and restated from time to time), Royal Decree 1310/2005, of November 4, and its implementing regulations. In addition, this document does not constitute an offer of purchase, sale or exchange, nor a request for an offer of purchase, sale or exchange of securities, nor a request for any vote or approval in any other jurisdiction.

FORWARD-LOOKING STATEMENTS
This presentation contains forward-looking information and statements about GRIFOLS based on current assumptions and forecast made by GRIFOLS management, including pro forma figures, estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to capital expenditures, synergies, products and services, and statements regarding future performance. Forward-looking statements are statements that are not historical facts and are generally identified by the words “expected”, “potential”, “estimates” and similar expressions.

Although GRIFOLS believes that the expectations reflected in such forward-looking statements are reasonable, various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the Company and the estimates given here. These factors include those discussed in our public reports filed with the Comisión Nacional del Mercado de Valores and the Securities and Exchange Commission, which are accessible to the public. The Company assumes no liability whatsoever to update these forward-looking statements or conform them to future events or developments. Forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of GRIFOLS.

NON-GAAP FINANCIAL MEASURES
This presentation refers to certain non-GAAP financial measures. The presentation of these financial measures is not intended to be considered in isolation, or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. In addition, these measures may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparative purposes. We compensate for these limitations by providing specific information regarding GAAP amounts excluded from these non-GAAP financial measures.
Our Focus in Bioscience: Plasma as an Essential Asset

4 Divisions

Bioscience
Global pioneer in the production of essential plasma-derived therapies
78% of revenues

Diagnostic
A leader in transfusion medicine, from donation to transfusion
15% of revenues

Hospital
Advances in pharmacy specialty products for hospital use
3% of revenues

Bio Supplies
Provider of biological products for non-therapeutic use
4% of revenues

Note: % of revenues corresponds to HY 2021
Successful Track Record to Support Growth

- Alpha Assets (Entrance in the U.S.)
- PlasmaCare y Baxter centers
- BCN plant obtains FDA approval
- LATAM, Eastern Europe
- Portugal
- Italy, UK, GE
- Switzerland, Scandinavia
- China, Colombia, Scandinavia
- Talecris Canada
- SRAAS
- BPL
- Kedrion
- GigaGen (+56%)
- Medkeeper (+49%)
- Green Cross
- Alkahest (+55%)
- SRAAS
- IIBI (-51%)
- Medkeeper (+49%)
- Haema
- Hologic NAT Screening
- Access Biologicals (49%) & GigaGen (44%)
- Kiro (+40%) & Kedplasma
- IIBI (49%)
- Progenika (+30%)
- Alkahest (45%)
- Taiwan & Indonesia
- Novartis Diagnostic
- Hong Kong
- Progenika (60%)
- Kiro (50%)
- Dubai
- Aralcon (51%)

Biotest AG Investment

IBEX 35
Stock market entry

€m in revenues

5,000
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0

1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
More Than Ever, Plasma Is the Core Pillar of Grifols

Grifols’ response to limited plasma availability:

✓ **Organic** and **inorganic expansion** while **diversifying** plasma sourcing
✓ Planning to open ~**20 centers/year** over the next 3-4 years
✓ Recent acquisitions and plasma supply agreements to strengthen existing network: +**50 centers** and **1.7ML/year capacity**
✓ Targeting **520 plasma centers** by 2026
✓ **Diversifying plasma sourcing** through U.S., Europe and Egypt
✓ Supporting countries to **reach self-sufficiency** (China, Canada and Egypt)
✓ **Improving plasma economics** and **increasing revenue per liter** bringing innovative plasma proteins to **drive revenue growth** and **margin expansion**

1 As of HY 2021
Plasma Economics and Revenue per Liter Boosted by Innovation and Commercial Efforts

Grifols’ Current Plasma Economics

- Current portfolio focused on three key proteins: IgG, Albumin and Alpha-1
- Recent innovation efforts led to three successful product launches: Xembify®, Tavlesse® and Vistaseal™
- Leading commercial efforts to increase Alpha-1 diagnosis and accelerate its growth in the U.S. and Europe
- R&D efforts focused on developing new indications for existing proteins and novel proteins
- Collaborations and licensing agreements to enhance existing pipeline

For illustrative purposes
Biotest: A Transformational Investment

**Unique opportunity** to launch two new plasma proteins in the short-term, significantly improving revenue per liter and margins

**Integrate and accelerate** an attractive pipeline of innovative plasma-derived therapies with exceptional potential growth and profit from 2023 onwards

**Significant revenue** and cost synergies leading to a highly accretive investment with incremental EBITDA of €300m+ in 2024 and €600m+ in 2026

**A more balanced global footprint** by expanding operations (+26 plasma centers) and revenues in EMEA, while broadening Biotest products’ footprint in the U.S.
Biotest Delivers +16% Strong Revenue Growth in 2020 and a Solid Upward EBITDA Trend

Revenue Trend (in EUR million)

```
<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (EUR million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017A</td>
<td>378</td>
</tr>
<tr>
<td>2018A</td>
<td>400</td>
</tr>
<tr>
<td>2019A</td>
<td>419</td>
</tr>
<tr>
<td>2020A</td>
<td>484</td>
</tr>
</tbody>
</table>
```

EBITDA and Margin Trend

```
<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITDA (EUR million)</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017A</td>
<td>75</td>
<td>19.7%</td>
</tr>
<tr>
<td>2018A</td>
<td>92</td>
<td>22.9%</td>
</tr>
<tr>
<td>2019A</td>
<td>100</td>
<td>23.9%</td>
</tr>
<tr>
<td>2020A</td>
<td>108</td>
<td>22.3%</td>
</tr>
</tbody>
</table>
```

Source: Company data

1. EBITDA Adjusted excludes Biotest Next Level Project costs (production and R&D)

Company Overview

• Founded in 1946. Headquartered in Dreieich, Germany. 10 Affiliates
• Manufacturing sites
  - 1 production plant (up to ~1.5 m/L plasma)
  - 1 production plant in commissioning (Biotest Next Level Project, ~1.5 m/L plasma)
• 26 plasma centers in Europe across Germany, Czech Republic and Hungary
• Direct commercial presence in 10 countries. Marketed in 90+ countries
• ~2,000 employees

+3 m/L plasma production capacity
Complementary Business to Boost Performance

**GRIFOLS**

- Founded in **1909** as a family business
- **Leading player** in global plasma-derivatives industry with a solid track record in plasma sourcing
- Proven ability to **grow businesses** both organically and through M&A
- **Plasma**, manufacturing and commercial global footprint with large presence in the U.S.
- Strong mid- and long-term pipeline

---

**Biotest**

- Founded in **1946** as a family business, specialized on immunology and hematology
- Highly **experienced management**
- Strong presence in **Europe**
- Broad **plasma protein pipeline** to be launched in the short-term
- **Limited plasma** sourcing (non-U.S. plasma)

---

**Estimated Combined Financials in 2024**

<table>
<thead>
<tr>
<th></th>
<th>Revenues €7bn+</th>
<th>EBITDA €2bn+</th>
<th>EBITDA Mg &gt;30%</th>
<th>Leverage &lt;3.5x</th>
</tr>
</thead>
</table>

- **Shared values** and **culture** based on strong family footprint
- Improved **plasma economics** and **revenue per liter** by leveraging on **new, currently unused proteins** and Grifols’ leading global plasma center network
- Notable increase in **revenues** and **profit margins** starting in 2023 as **new products** are launched
- Significant **revenue** and **cost synergies** in developing, producing and distributing plasma-derived therapies
- **Strengthened** product **pipeline development**
- Globally balanced **plasma sourcing** and **revenue** footprint
- **Leading industrial capacity** with **20m/L+** by 2021
## Biotest’s Compelling Innovative Phase III Pipeline

<table>
<thead>
<tr>
<th>Plasma protein</th>
<th>Indication</th>
<th>Therapeutic area</th>
<th>Phase</th>
<th>Expected market launch</th>
<th>Estimated market size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fibrinogen</td>
<td>Congenital</td>
<td>Haematology</td>
<td>Phase III completed</td>
<td>2023/2024</td>
<td>0.4-0.8Bn USD</td>
</tr>
<tr>
<td></td>
<td>Acquired</td>
<td></td>
<td>Phase III</td>
<td>2023/2024</td>
<td></td>
</tr>
<tr>
<td>IgM</td>
<td>Severe Community-acquired Pneumonia (sCAP)</td>
<td>Infectious diseases</td>
<td>Phase III in preparation</td>
<td>2024</td>
<td>1-2Bn USD</td>
</tr>
<tr>
<td>Cytotect Pregnancy (CMVIG)¹</td>
<td>Prophylaxis of Cytomegalie-Virus (CMV) infection</td>
<td></td>
<td>Phase III</td>
<td>2024</td>
<td>&lt;0.5Bn USD</td>
</tr>
<tr>
<td>SCIgG Next Generation</td>
<td>Primary Immunodeficiency (PID)</td>
<td>Immunology</td>
<td>Phase III in planning</td>
<td>2025</td>
<td>10Bn+ USD</td>
</tr>
<tr>
<td>IVIgG Next Generation</td>
<td>Primary Immunodeficiency (PID)</td>
<td></td>
<td>Phase III completed</td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Idiopathic Thrombocytopenic Purpura (ITP)</td>
<td>Haematology</td>
<td>Phase III completed</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ Cytomegalovirus Immunoglobulin
# Combined Pipeline: Minor Overlap Leads to Perfect Fit

<table>
<thead>
<tr>
<th>Innovation</th>
<th>Plasma supply</th>
<th>Revenue footprint</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Discovery</th>
<th>Pre-Clinical</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
<th>Phase 4 / Regulatory</th>
<th>LCM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immunology</td>
<td>2 GRI programs</td>
<td>rSCIG Spike in PdIG with enriched libraries (PID)</td>
<td>SCIG/IVIG SIDs-CLL</td>
<td>IVIG-PEG</td>
<td>Xembify® Europe</td>
<td>Xembify® Prefilled syringes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 GIGA program</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hepatology</td>
<td>2 GRI programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pulmonology</td>
<td></td>
<td>Alpha-1 AT Non-cystic fibrosis bronchiectasis</td>
<td>Alpha-1 AT 15% (SC) AAT deficiency</td>
<td></td>
<td>Prolastin-C® EUR (SPARTA)</td>
<td>Prolastin® EUR 4-5gr vials</td>
<td></td>
</tr>
<tr>
<td>Hematology</td>
<td>2 GRI programs</td>
<td>ATIII New indication</td>
<td>Fibrinogen Acquired Deficiency</td>
<td></td>
<td>Fostamatinib*** AIHA indication</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fibrinogen Congenital Deficiency and severe hypofibrinogen</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fibrinogen Acquired</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IVlgG Next Gen - ITP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ophthalmology / Others</td>
<td>6 GRI programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3 ALK programs</td>
<td>GIGA 564 Anti-CTLA-4 Oncology</td>
<td>AKST4290 DR</td>
<td>Fibrin Sealant Biosurgery pediatric Use</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2 GIGA programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infectious Diseases</td>
<td>4 GRI programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2 GIGA programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neurology</td>
<td>3 GRI programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5 ALK programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Company data

- Biotest project
- Grifols project
- Grifols project to be discontinued
Plasma Economics and Revenue per Liter Boosted by Innovation and Commercial Efforts

- Current portfolio focused on three key proteins: IgG, Albumin and Alpha-1
- Recent innovation efforts led to three successful product launches: Xembify®, Tavlesse® and Vistaseal™
- Leading commercial efforts to increase Alpha-1 diagnosis and accelerate its growth in the U.S. and Europe
- R&D efforts focused on developing new indications for existing proteins and novel proteins
- Collaborations and licensing agreements to enhance existing pipeline

For illustrative purposes
Combined Portfolio to Enhance Plasma Economics Through 2 Novel Proteins

- Stronger and broader commercial portfolio through addition of two breakthrough proteins, IgM and Fibrinogen
- New proteins to be obtained from currently unused intermediate product
- Targeting of several new indications
- Wider Biotest commercial presence in the U.S. market by leveraging Grifols’ plasma and commercial capabilities
- Reinforcement of our European innovation hub and commercial presence in EMEA

For illustrative purposes
Expanding and Diversifying Plasma Sourcing By Adding 26 European Plasma Centers

Collaborating with national health systems to help them achieve self-sufficiency and better serve patients.

- 301 plasma centers in Q4 2020
- +43 plasma centers in Q1 2021
- +11 plasma centers in Q2 2021
- +25 plasma centers in Q3 2021
- +7 plasma centers in Q4 2021

Plasma supply agreement (Q1 2021)

Enhancing Egypt's healthcare infrastructure with the construction of manufacturing installations and 20 plasma centers

Combined: 380+ plasma centers

Through SRAAS

Innovation + Plasma supply + Revenue footprint
Increasing Revenue Footprint in EMEA

GRIFOLS

U.S. 67%
Europe 16%
RoW 17%

Operations in 100+ countries
Subsidiaries in 30+ countries

Biotest

Europe 60%
Middle East, Africa and France 23%
Intercontinental 17%

Operations in 90+ countries
Subsidiaries in 10 countries

Source: Company data
Enhanced Revenue Growth and Margin Expansion by Adding Two New Proteins Without Incremental Plasma Costs

Grifols’ Revenue per Liter
(Base 2021=100)

- 2021: Fibrinogen
- 2026: IgM

Gross margin at present: 45%
Combined gross margin: >50%
Cost per liter
Improved Plasma Economics Enhances Profitability
How Adding 2 New Proteins Impacts Revenues, COGS and Gross Margin

Case study for a player in the global plasma industry

Projected industry growth: mid-high-single digit
(Base 2021=100)

CAGR\textsuperscript{21-26}

- **Gross Margin**
  - 10%
  - New proteins
  - Boost gross margin

- **Revenue**
  - 8%
  - Organic growth & new proteins

- **COGS**
  - 6%
  - Organic growth only

For illustrative purposes
**Revenue and Cost Synergies Resulting in a Highly Accretive Investment**

**Incremental EBITDA of more than €600m in 2026**

<table>
<thead>
<tr>
<th>2024</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biotest EBITDA</td>
<td>~€310m</td>
</tr>
<tr>
<td>OpEx synergies</td>
<td>109</td>
</tr>
<tr>
<td>New product contributions</td>
<td>65</td>
</tr>
<tr>
<td>R&amp;D costs savings</td>
<td>€65m of cost savings starting from year 2 (2023)</td>
</tr>
<tr>
<td>CAPEX</td>
<td>One-time CAPEX savings of €50 million by 2025 as Grifols will utilize some of Biotest’s production capacity</td>
</tr>
</tbody>
</table>

**IgM**
- Novel plasma protein with large market potential ($1-2bn) and no plasma competitors. High profit margins since it is derived from unused plasma fractions

**Fibrinogen**
- First product with acquired indication focused on the U.S. market and strong potential in Europe ($0.4-0.8bn). High profit margins since it is derived from unused plasma fractions
Revenue and Cost Synergies Will Drive EBITDA to €2.8bn and Margin to 32%+ in 2026

**Grifols Stand-alone EBITDA LTM Jun-21**

<table>
<thead>
<tr>
<th>26.5% Margin</th>
<th>30.4% Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€1.4bn</td>
<td>€1.7bn</td>
</tr>
<tr>
<td>€0.2bn</td>
<td>€0.3bn</td>
</tr>
<tr>
<td>COVID net impacts</td>
<td>Contribution from latest plasma acquisitions</td>
</tr>
</tbody>
</table>

**Projected Combined EBITDA by 2024 and 2026**

<table>
<thead>
<tr>
<th>30.1% Margin</th>
<th>32.1% Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>€2.2bn</td>
<td>€2.8bn</td>
</tr>
<tr>
<td>€0.3bn</td>
<td>0.3</td>
</tr>
<tr>
<td>New product contributions and incremental OpEx synergies</td>
<td></td>
</tr>
<tr>
<td>Grifols &amp; Biotest organic contribution</td>
<td></td>
</tr>
</tbody>
</table>

**Grifols LTM Jun-21 Underlying EBITDA**

- New product contributions, OpEx synergies, Biotest EBITDA
- Grifols & Biotest organic contribution

**Grifols AG Investment**
Highly Committed to Achieving Rapid Deleveraging

**Net Debt / EBITDA**

- **4.9x** (LTM Jun-21)
- **4.3x** (GIC Investment)
- **3.5x** (LTM Jun-21 PF GIC inv.)
- **4.4x** (Biotest acq. financing)
- **5.4x** (LTM Jun-21 PF GIC inv. & Biotest acq. financing)
- **<4.0x** (Deleverage path)
- **<3.5x** (2023E (2))
- **<3.5x** (2024E (2))

**Notes:**
- Net Debt / EBITDA
- Net Debt / Underlying EBITDA(1)
- Proceeds from GIC investment used to repay existing debt
- GIC investment materially strengthens Grifols’ liquidity levels
- Expected closing in Q4 2021

**B**
- €2 billion unsecured bridge financing commitment provided by BofA Securities
- Grifols plans to explore its financing options for unsecured debt

**C**
- Grifols is highly confident about achieving this deleveraging profile using all its available tools, as necessary
- Grifols does not expect to pursue any meaningful M&A or cash dividends until leverage is below 4x
- Strong track record of deleveraging post acquisitions

---

**Note:** Leverage metrics presented on a pre-IFRS16 basis. IFRS16 impact on Grifols EBITDA assumed to remain at 2020A level of €63m throughout the forecast period. IFRS16 impact on Biotest EBITDA assumed to remain at LTM Jun-21 level of €5m throughout the forecast period. Grifols IFRS16 lease liabilities assumed to remain at Jun-21 level of €783m throughout the forecast period.

1) Covid adjustments of €169m for LTM Jun-21 and €145m for 2023E; run-rate adjustments of €140m for LTM Jun-21 relating to acquisitions of new plasma centers throughout FY20 and FY21 by Grifols.

2) Leverage metrics computed on EBITDA values combining Grifols and Biotest EBITDAs as well as estimated synergies.
Transaction Highlights

• The transaction values **Biotest’s Equity** at ~€1.6 billion and **Enterprise Value** at ~€2 billion

• Grifols offers c.€800 million for the c.90% of Biotest ordinary shares and c.1% of Biotest preferred shares, plus €310 million loan

• The offer includes c.23% premium to the 30-day price (VWAP) for Biotest's ordinary shares

• Upon completion, Grifols will indirectly **own ~90% of total share capital by voting rights** and ~45% by **economic rights**

• Grifols launches a **tender offer** for **Biotest’s remaining ordinary** and **preferred shares** for cash
Grifols and Biotest Marking a New Milestone While Shaping the Plasma Industry

Significant value creation opportunity
Incremental EBITDA of €300m in 2024 and €600m in 2026

Estimated Combined Financials in 2024

<table>
<thead>
<tr>
<th>Revenues</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>€7bn+</td>
<td>€2bn+</td>
</tr>
</tbody>
</table>

Leverage

<table>
<thead>
<tr>
<th>Leverage</th>
<th>EBITDA Mg</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;3.5x</td>
<td>&gt;30%</td>
</tr>
</tbody>
</table>

EBITDA

Grifols LTM Jun-21 Underlying EBITDA

New product contributions, OpEx synergies, Biotest EBITDA

Grifols & Biotest organic contribution

2026

€1.7bn

€0.6bn

€0.5bn

€2.8bn
Advancing towards increasing global plasma-derived therapies availability, while introducing novel plasma therapies to meet new patients’ needs around the world

"The right to live in society entails the duty to work to improve it"

Josep Antoni Gríols i Roig, Founder
Grifols
Biotest AG Investment