

SUPERVISORY BOARD REPORT

The financial year 2020 was marked by the extraordinary challenges of the Covid-19 pandemic. The Company has met, and will continue to meet, these challenges with the remarkable support of its employees. So despite personnel shortfalls due to Covid-19 or quarantine measures it was not only possible to continue our R&D projects but even to initiate two new developments aiming to treat Covid-19 patients. Also the production of our life-saving medicines could be uninterrupted and continuously carried on. The company even achieved higher sales and a better result as it was guided at the beginning of the year.

The Supervisory Board, in its function as a controlling body and guided by the principles of responsible and good corporate governance, unconditionally fulfilled its duties according to statutory law, the Articles of Association and Rules of Procedure in the financial year 2020. It continuously and diligently monitored the management activities of the Board of Management and advised it on all matters of importance to the Company. The Board of Management kept the Supervisory Board updated on a regular basis and in a coherent and timely manner by means of written and oral reports on all matters which were of fundamental importance to the Company, including such decisions which do not require the consent of the Supervisory Board. In particular, the Board of Management informed the Supervisory Board on key business figures, in particular on issues relating to planning, business development, strategic development, human resources and succession planning, the risk situation, risk management and compliance. The Board of Management has, where the business development deviated from the planning, comprehensively explained such deviations and at all times involved the Supervisory Board in the decision on the strategy and status of the implementation thereof in the Company.

Where according to statutory law or the Articles of Association approval of the Supervisory Board is necessary for certain transactions, the Supervisory Board passed resolutions to the extent required.

In addition to the Supervisory Board meetings, the Chairman of the Supervisory Board also maintained fortnightly intensive personal and telephone contact with the Chairman of the Board of Management to obtain information on the business development, key business transactions and upcoming decisions as well as longterm perspectives and considerations on emerging developments. The Chairman of the Supervisory Board and the Chairwoman of the Audit Committee also automatically received all Internal Audit reports. The members of the Supervisory Board discussed current issues with the Board of Management also outside of the meetings.

There were no conflicts of interests involving members of the Board of Management or Supervisory Board during the financial year 2020, which require immediate disclosure to the Supervisory Board and must be reported to the Annual Shareholders' Meeting.

In the financial year 2020, the Company's business activities and developments in the context of the Covid-19 pandemic were of great importance in the discussions within the Supervisory Board. In addition, the Supervisory Board's discussions were dominated by considerations regarding succession planning for the Board of Management and the remuneration for the members of the Board of Management, the progress of the BNL (Biotest Next Level) project and of the product pipeline and the conduct of the Annual Shareholders' Meeting 2020 as a virtual shareholders' meeting without the physical presence of shareholders.

The Supervisory Board held six regular meetings and one telephone conference in the financial year 2020. In addition, three resolutions were adopted by way of circular procedure. In relation to the performance of their duties, members of the Supervisory Board received sufficient opportunity in the committees as well as in full composition to critically and thoroughly assess all reports and draft resolutions provided by the Board of Management. They had the opportunity to introduce their own proposals during discussions.

MAIN FOCUS AT SUPERVISORY BOARD DELIBERATIONS

After Ms. Simone Fischer was appointed as a member of the Supervisory Board by court order until the end of the Annual Shareholders' Meeting 2020, the Supervisory Board elected her as a member of the Audit and Governance Committee and as Chairwoman of the Audit Committee by circular resolution on 19 February 2020.

On 16 March 2020, the Supervisory Board unanimously adopted resolutions also by way of circular procedure on the approval of the Declaration of Compliance of 16 March 2020, the agenda for the Annual Shareholders' Meeting 2020, and the Sustainability Report 2019.

At the meeting on 30 March 2020, the Chairman of the Board of Management, Dr. Michael Ramroth, reported extensively on the impact of the Covid-19 pandemic on the Group's business development and provided a risk assessment for the upcoming months. In the meeting, Dr. Ramroth further presented to the Supervisory Board the annual financial statements for Biotest AG and the Group for the financial year 2019, as well as the statutory audit report. The auditor present, the Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn/Frankfurt am Main, Germany, explained the results of his audit and announced that he had issued an unqualified auditor's opinion on the annual financial statements of Biotest AG and the Group on 20 March 2020. The Chairwoman of the Audit Committee, Ms. Simone Fischer, reported on the review of and discussion on the single entity and consolidated financial statements by the Audit Committee together with the Board of Management and the auditor on 24 March 2020. Upon proposal of the Audit Committee, the Supervisory Board, after conducting its own review, unanimously adopted a resolution to approve the annual financial statements 2019 for Biotest AG and the Group as well as the joint proposal for the distribution of profits by the Board of Management and the Supervisory Board to the Annual Shareholders' Meeting. At the same meeting, the Supervisory Board also approved the Supervisory Board Report, the dependency report and the audited non-financial statement (Sustainability Report) for the financial year 2019. The Supervisory Board resolved on proposing Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as statutory auditor for the financial statements 2020 to the Annual Shareholders' Meeting 2020. The Supervisory Board also approved the new terms of the Long Term Incentive Program for 2020-2022 presented by the Chairman of the Board of Management, the targets 2020 for the Board of Management, and the target fulfillment of the members of the Board of Management for 2019. In light of the nationwide contact restrictions due to the Covid-19 pandemic, the Supervisory Board unanimously agreed to hold the Annual Shareholders' Meeting 2020 as a virtual Annual Shareholders' Meeting without physical presence of the shareholders. Ms. Kerstin Birkhahn and Mr. Tan Yang were excused from attending the meeting.

At the Supervisory Board meeting on 7 May 2020, the Board of Management had the opportunity to report on the Group's business situation and the impact of the Covid-19 pandemic. The Supervisory Board informed itself about the business strategies developed by the Board of Management to meet the challenges posed by the pandemic. After a comprehensive exchange, the Supervisory Board unanimously expressed its full support for the Board of Management in implementing the developed business strategy. The Supervisory Board also discussed all issues in relation to holding the Annual Shareholders' Meeting 2020 as a virtual shareholders' meeting without the presence of shareholders, in particular its procedure and the rights of the shareholders.

The meeting of the Supervisory Board on 8 May 2020 took place after the Annual Shareholders' Meeting 2020. At this meeting, from which Mr. Tan Yang was excused from attending, the Supervisory Board discussed the tasks of the Governance Committee and determined that these overlapped considerably with those of the Personnel and Compensation Committee. For this reason, the Supervisory Board unanimously adopted the resolution to discontinue the Governance Committee and to transfer its existing tasks to the remaining Committees, the Audit Committee and the Personnel and Compensation Committee. Following the Supervisory Board Elections by the Annual Shareholders' Meeting 2020, the Supervisory Board elected Ms. Simone Fischer as a member and Chairwoman of the Audit Committee. The Supervisory Board noted that negotiations for the extension of appointment and the contracts with the members of

the Board of Management were now beginning. The Chairman of the Supervisory Board signaled that he was currently in weekly contact with the Board of Management and would inform the entire Supervisory Board of the exchange.

On 1 July 2020, the Supervisory Board meeting took place as a conference call without the participation of Ms. Fischer. By unanimous resolution, the Supervisory Board approved the appointment of Dr. Michael Ramroth as a member and Chairman of the Board of Management for a further three-year term of office until 31 December 2023. The Supervisory Board also unanimously approved the appointment of Dr. Georg Floß as a member of the Board of Management for a further term of two years until 8 January 2023. In this context, the Supervisory Board also approved the revised Board of Management contracts for the new term of office on the basis of the existing Board of Management contracts and the normal market adapted adjustments proposed by the engaged compensation advisor. The Supervisory Board authorised the Chairman of the Supervisory Board to conclude the contracts with the members of the Board of Management.

The Supervisory Board meeting on 28 and 29 July 2020 focused in particular on informing the Supervisory Board about the current business situation of the Group and the strategic, long-term business outlook, taking into account the implications of the Covid-19 pandemic. Furthermore, the Supervisory Board was informed about the status and significant developments of the BNL project. The Board of Management had the opportunity to present the 10-year plan, which was approved by the Supervisory Board after detailed discussion. Following an earlier meeting's decision to discontinue the Governance Committee, the Supervisory Board resolved the necessary amendment to its Rules of Procedure. In the further course of the meeting, the Supervisory Board discussed personnel succession plans.

At the meeting on 9 October 2020, the Supervisory Board was informed about the Group's current business situation, the status of the BNL project, and the Company's activities in connection with the Covid-19 pandemic, in particular its participation in the CoVlg-19 Plasma Alliance and the development of trimodulin for the treatment of COVID-19 patients. In addition, the Supervisory Board was informed about a pending trademark litigation of the Company in China against a Chinese company.

Also in the meeting on 4 December 2020, the Supervisory Board was informed about the business development from January to October 2020, the business forecast, the current Covid-19 activities and the status of the BNL project. The Board of Management also presented the budget for 2021 to the Supervisory Board, which was approved by the Supervisory Board after extensive discussion. The Chairwoman of the Audit Committee reported on the main consultations of the Audit Committee and gave the Supervisory Board a summary overview of the Compliance Report. The Supervisory Board unanimously approved the audit plan of the internal audit for fiscal year 2021. In accordance with the recommendation of the Audit Committee, the Supervisory Board proposes to the Annual General Meeting 2021, which is to be held as a virtual Annual General Meeting without the physical presence of shareholders, that KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, be elected as auditor and Group auditor for the financial year 2020. For the aforementioned audit services, the Audit Committee recommended to the Supervisory Board, in accordance with Article 16 (2) of Regulation (EU) No. 537 / 2014 of the European Parliament and of the Council of April 16, 2014 on specific requirements for the statutory audit of public interest entities and repealing Commission Decision 2005 / 909 EC ("EU Statutory Audit Regulation"), KPMG AG, Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, and Price WaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Frankfurt am Main and expressed a preference for KPMG AG, Wirtschaftsprüfungsgesellschaft, Frankfurt am Main. Both the Audit Committee's recommendation to the Supervisory Board and the Supervisory Board's proposal are free from undue influence by third parties. Nor were there any regulations within the meaning of Article 16 (6) of the EU Regulation on Statutory Auditors which would have restricted the choice of a statutory auditor.

COMMITTEES

To efficiently perform its duties, the Supervisory Board formed committees in the reporting year. Following the dissolution of the Governance Committee by Supervisory Board resolution of 8 May 2020, the two remaining committees are composed as follows as of the reporting date 31 December 2020:

Personnel and Compensation Committee

Rolf Hoffmann (Chairman)

Kerstin Birkhahn

Tan Yang

Audit Committee

Simone Fischer (Chairwoman)

Rolf Hoffmann

Jürgen Heilmann

Tan Yang

Prior to its dissolution by Supervisory Board resolution of 8 May 2020, the Governance Committee was composed as follows:

Governance Committee

Dr. Cathrin Schleussner (Chairwoman)

Rolf Hoffmann

Simone Fischer

Tan Yang

In the financial year 2020, the Audit Committee met with the Board of Management three times. The Chairwoman of the Audit Committee was also in regular contact with the Executive Board and the auditors outside the meetings. The meetings and resolutions were prepared by reports and other information from the Executive Board. The heads of the relevant corporate functions also reported on individual agenda items and were available to answer questions. The chairwoman of the committee informed the Supervisory Board promptly and comprehensively about the content and results of the committee meetings. At all meetings of the Audit Committee we dealt with the accounting of the Company and the Group, including the interim financial reports, and discussed these with the Executive Board. The auditors also attended two of the three meetings.

At its first meeting in the financial year 2020, held on 24 March 2020, the Audit Committee discussed, in the presence of the auditor, the annual financial statements and consolidated financial statements as well as the management report and Group management report, the dependency report and the separate non-financial report summarized for Biotest AG and the Group for the financial year 2019, including the respective audit reports and notes by the auditor and the auditor for the non-financial report, the corresponding proposal for the appropriation of profits and the risk report, and prepared the corresponding resolutions of the Supervisory Board. As in previous years, other members of the Supervisory Board also attended this meeting of the Audit Committee as guests.

In addition, the Audit Committee dealt with the EMIR mandatory audit pursuant to Section 32 of the German Securities Trading Act. In the further meeting, the Audit Committee discussed the tender process for the selection of the auditor for fiscal year 2021. The multistage selection process began in May 2020 with

an invitation to tender and was concluded with a final proposal to the Supervisory Board of two candidates with a preference for one candidate at the meeting of the Audit Committee on December 4, 2020.

The Audit Committee also prepared for the Chairman of the Supervisory Board the engagement of the auditors following their election by the Annual General Meeting to audit the parent company and consolidated financial statements, the management report and Group management report, and the dependent company report for the 2020 financial year, setting the audit fee and also discussing the so-called key audit matters. It was agreed that the auditors would inform the Supervisory Board without delay of all findings and events of importance to the Supervisory Board's duties that arise during the audit; a cap was set for the provision of non-audit services permitted under the relevant EU requirements. In this context, the Chairwoman of the Audit Committee and the Chairman of the Supervisory Board again satisfied themselves of the necessary independence of the auditor. The auditor declared to the Chairman of the Supervisory Board that there were no circumstances which would give cause to assume that he was not impartial.

On 28 July 2020, the Audit Committee had selected the candidates for the final selection round on the basis of the decided selection criteria and their weighting for the evaluation of the potential auditor candidates. The recommendation of the European Securities and Markets Authority (ESMA) to describe the impact of the Covid-19 pandemic in more detail in the financial figures was discussed. The Audit Committee dealt with accounting issues relating to the half-year financial report and discussed individual findings of the internal audit concerning the effectiveness of the internal control system. The Audit Committee also dealt with the procedure for identifying related party transactions.

At the meeting on 4 December 2020, the Audit Committee dealt with the findings of the internal audit on the functionality and effectiveness of the internal control system and the risk and compliance management system, the reporting of the risk and compliance officers and the current risk report, as well as selected accounting issues. Further, the audit plan of the internal auditor for 2021 was discussed and approved.

The auditor Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn/Frankfurt am Main, explained the updated audit plan for the 2020 audit and results from the preaudit. The Key Audit Matters and other key audit areas for 2020 were confirmed by the Audit Committee. The auditor provided an overview of the non-audit services provided in 2020 and the non-audit services expected to be provided in 2021, which were approved after appraisal by the Audit Committee.

As a result of the multistage selection process the Audit Committee proposed KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, and Pricewaterhouse Coopers AG, Frankfurt am Main, with preference for KPMG AG Wirtschaftsprüfungsgesellschaft, to the Supervisory Board as future auditor. As auditor selected for the non-financial reporting of the fiscal year 2020, which will be prepared in the form of a separate non-financial report and made available to the public by publication on the website, Mazars GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Hamburg, was again appointed.

On 30 March 2020, the Governance Committee met for the last time before being dissolved by Supervisory Board resolution. At this meeting, the Governance Committee discussed, among other things, the candidate proposal for the Supervisory Board election at the Annual Shareholders' Meeting 2020 and amendments to the German Corporate Governance Code.

The Personnel and Compensation Committee met three times in the reporting year, on 30 March 2020, 8 October 2020, and 4 December 2020. The main topics discussed were the extension of the Board of Management service contracts, the target fulfilment of the Board of Management in 2019, new targets for the Board of Management in 2020, and the Long Term Incentive Program 2020. Further topics of discussion were the succession plans for the Board of Management and the recommendations of a compensation advisor on the shortterm incentive (STI) and longterm incentive (LTI).

CORPORATE GOVERNANCE

Also in 2020, the Supervisory Board continuously complied with the further development of corporate governance standards within the Company. The Board of Management and the Supervisory Board reported on the corporate governance of the Company in the Corporate Governance Statement in accordance with Principle 22 of the German Corporate Governance Code which was published together with the Declaration of Compliance regarding the recommendations of the government commission on the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG). On 25 March 2021, the Board of Management and the Supervisory Board of Biotest AG issued a Declaration of Compliance with the recommendations of the government commission on the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act.

CHANGES TO THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

By resolution of the Supervisory Board of 1 July 2020, Dr. Michael Ramroth's term of office ending on 31 December 2020 was extended until 31 December 2023. By resolution of 1 July 2020, the Supervisory Board also extended the term of office of Mr. Georg Floß, which ended on 8 January 2021, until 8 January 2023.

There has been an organizational change in the Supervisory Board Committees in the 2020 financial year. After determining that the tasks of the Governance Committee overlap considerably with those of the Personnel and Compensation Committee, the Supervisory Board decided to discontinue the Governance Committee and to transfer its existing tasks to the remaining Audit Committee and Personnel and Compensation Committee.

In the current financial year, the following changes have taken place in the Supervisory Board: With effect from 4 January 2020, Ms. Christine Kreidl resigned from her office as a member of the Supervisory Board. By court appointment, Ms. Simone Fischer was initially appointed as a member of the Supervisory Board until the end of the Annual Shareholders' Meeting 2020. Ms. Cathrin Schleussner had resigned from her office as a member of the Supervisory Board at the end of the Annual Shareholders' Meeting 2020. On 8 May 2020, the Annual Shareholders' Meeting 2020 confirmed Ms. Simone Fischer and elected Mr. Xiaoying (David) Gao as members of the Supervisory Board, each with a term of office until the end of the Annual General Meeting that will resolve on the formal approval of the actions of the members of the Supervisory Board for the financial year 2021. Again, the Supervisory Board would like to extend warm thanks to Ms. Schleussner and Ms. Kreidl for their work and support.

FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn/Frankfurt am Main, Germany audited the consolidated and the end of year statement of Biotest AG by 31 December 2020 as well as the management report and the group management report and provided an unqualified opinion. Further, the aforementioned auditor reviewed the report on the Company's relations to affiliated companies (dependency report) and provided an unqualified opinion:

"Based on our audit performed in accordance with professional standards and our professional judgment, we confirm that:

1. The factual statements contained in the report are correct.
2. The consideration paid by the Company for the legal transactions stated in the report was not excessive."

The external auditor engaged by the Supervisory Board to review the content of the separate non-financial statement also issued an unqualified audit opinion. The abovementioned documents, the auditor's report, the dependency report, the separate non-financial statement and the Board of Management's proposal on the appropriation of net profit were submitted to all members of the Supervisory Board in a timely manner. They were discussed in detail at the meeting of the Audit Committee on 24 March 2021 as

well as at the meeting of the Supervisory Board on 25 March 2021. In both meetings, the auditor reported on the main results of the audit and was on hand to answer questions and provide additional information.

After reviewing and discussing the individual and consolidated financial statements, the management report and group management report, the Board of Management's proposal on the appropriation of the net profit, the dependency report as well as the non-financial statement, the Supervisory Board raised no objections and approved the auditor's and external auditor's audit results. According to the final result of the review of the dependency report, the Supervisory Board also raised no objections to the declaration of the Board of Management on the dependency report. The Supervisory Board adopted the single entity and consolidated financial statements as prepared by the Board of Management for the financial year 2020. The annual financial statements are thereby adopted. The Supervisory Board approved the Board of Management's proposal on the appropriation of profit.

It is extraordinary and not self-evident with what commitment, energy and flexibility all employees have ambitiously pursued and secured production and distribution of our life-saving medicines. As a consequence, our patients were reliably cared for with their medicines. For this, the Supervisory Board would like to express its sincere thanks to all employees and the Management Board.

Dreieich, 25 March 2021



Rolf Hoffmann
Chairman