

SUPERVISORY BOARD REPORT

Financial year 2021 was again dominated by the COVID-19 pandemic. The Company was able to continue to meet this challenge and will continue to do so in the future with the remarkable support of its employees. Thus, despite the tense situation in the crisis regions, especially in the Middle East and Asia, as well as the global impact of the COVID-19 pandemic, the Company succeeded in continuing the expansion of its plasma collection capacity and the Biotest Next Level (BNL) expansion project. In addition, the submission of the voluntary public takeover bid by Grifols, S.A. was of particular importance in financial year 2021.

In financial year 2021, the Supervisory Board, in its function as a supervisory body and guided by the principles of responsible and good corporate governance, performed the duties incumbent upon it by law, the Articles of Association and the Rules of Procedure without restriction. It regularly and carefully monitored the management of the Board of Management and advised it on all matters of importance to the company. The Board of Management informed the Supervisory Board at regular intervals, comprehensively and in a timely manner by means of written and oral reports about all events that were of fundamental importance to the Company, including those decisions that do not require the approval of the Supervisory Board. In particular, the Board of Management informed the Supervisory Board about important key business figures. In particular, the Board of Management regularly informed the Supervisory Board on issues of planning, business development, strategic development, personnel and succession planning, the risk situation, risk management and compliance. Where the course of business deviated from the planning, the Board of Management explained these deviations in detail and always involved the Supervisory Board in the coordination of the strategy and the status of the implementation of the strategy in the Company.

Where the approval of the Supervisory Board was required by law or the Articles of Association for individual measures of the Board of Management, the Supervisory Board passed resolutions on them.

The Chairman of the Supervisory Board was in intensive personal and telephone contact with the Chairman of the Board of Management on a weekly basis, also outside the Supervisory Board meetings, and kept himself informed about the development of the business situation, significant business transactions and pending decisions, as well as long-term perspectives and considerations on emerging developments. In addition, the Chairman of the Supervisory Board and the Chairwoman of the Audit Committee automatically received all reports from Internal Audit. The members of the Supervisory Board also discussed current topics with the Board of Management outside of the meetings.

In financial year 2021, there were no conflicts of interest involving members of the Board of Management or the Supervisory Board that had to be disclosed to the Supervisory Board without delay and about which the Annual General Meeting has to be informed.

The Supervisory Board held six meetings in financial year 2021. In addition, five resolutions were passed by circulation. In connection with the fulfilment of their tasks, the members of the Supervisory Board had sufficient opportunity, both in the committees and in the plenary sessions, to critically and comprehensively discuss the reports and resolution proposals submitted by the Board of Management. They were able to contribute their own suggestions to discussions at all times.

FOCAL POINTS OF THE SUPERVISORY BOARD'S DELIBERATIONS

The business activities and developments of the Company in connection with the COVID-19 pandemic were of major importance for the deliberations of the Supervisory Board in financial year 2021. In addition, the deliberations in the Supervisory Board were characterised by considerations on the expansion of the Board of Management by another member for the area of science and medicine (Chief Scientific Officer), the progress of the Biotest Next Level project and the expansion of the plasma collection capacity. Developments and the handling of the COVID-19 pandemic in the workplace and the voluntary public takeover offer of Grifols, S.A. were also important topics for the Supervisory Board meetings.

On 16 March 2021, the Supervisory Board unanimously passed a resolution by circulation to approve the Declaration of Conformity submitted to it and the Corporate Governance Statement 2021.

At the meeting on 25 March 2021, the Chairman of the Board of Management, Dr. Michael Ramroth, reported comprehensively on the business development of the Group and presented the Annual Financial Statements for Biotest AG and the Group for financial year 2020 as well as the audit report to the Supervisory Board. The auditor from Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn / Frankfurt/Main, who was present, explained the results of his audit and informed the Supervisory Board that he had issued an unqualified audit opinion on the Annual Financial Statements of Biotest

AG and the Group on 22 March 2021. The Chairwoman of the Audit Committee, Mrs. Simone Fischer, reported on the audit of the individual and Consolidated Financial Statements and their discussion by the Audit Committee together with the Board of Management and the auditor on 24 March 2021. At the proposal of the Audit Committee, the Supervisory Board, after conducting its own review, unanimously adopted the resolution on the approval of the 2020 Annual Financial Statements for Biotest AG and the Group as well as the joint proposal of the Board of Management and the Supervisory Board to the Annual General Meeting on the appropriation of profits. At the same meeting, the Supervisory Board also approved the audited Report of the Supervisory Board, the Dependent Company Report and the audited non-financial statement (Sustainability Report) for financial year 2020. The Supervisory Board took note of the EMIR Report for financial year 2020. The Supervisory Board resolved to propose KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, as auditor for the 2021 Financial Statements to the 2021 Annual General Meeting. In addition, the Supervisory Board unanimously passed resolutions to select KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, as the auditor for the sustainability report and to approve the agenda for the 2021 Annual General Meeting. The Supervisory Board also approved the new terms of the Long-Term Incentive Programme for 2021-2024 presented by the Chairman of the Board of Management, the 2021 targets for the Board of Management and the target achievement of the members of the Board of Management for 2020. The Supervisory Board also dealt with the amendment of the contracts of the members of the Board of Management, the expansion of the Board of Management to include an additional member for science and medicine (Chief Scientific Officer) and the reports of the Audit Committee on the internal control system and the sustainability targets.

On 18 April 2021, the Supervisory Board unanimously elected Mr. Reinhard Eyring as Chairman of the virtual Annual General Meeting 2021 by circular resolution.

On 23 April 2021, the Supervisory Board also unanimously adopted by circular resolution the resolution on the approval of the joint statement of the Board of Management and the Supervisory Board on the motion of the shareholders Polygon European Equity Opportunity Master Fund and Blackwell Partners LLC-Series A to supplement the agenda of the Annual General Meeting 2021.

The meeting of the Supervisory Board on 11 May 2021 took place after the 2021 Annual General Meeting. At the meeting, the Supervisory Board was comprehensively informed about the current business situation of the Group as well as the status of the proceedings in context with the Company's business in Russia.

The Supervisory Board meeting on 27 and 28 July 2021 focused on informing the Supervisory Board about the current business situation of the Group and the strategic long-term business outlook, taking into account the impact of the COVID-19 pandemic. Furthermore, the Supervisory Board was informed about the status and major developments of the strategic considerations of the major shareholder Tiancheng International Investment Limited regarding its shareholding in the Company and the 10-year plan from 2019. The Supervisory Board also considered the working environment and conditions following the COVID-19 pandemic. In addition, the Supervisory Board was briefed on the current status of the plasma market, an industry analysis with the current market and project developments, and the current status on sustainability. Mr. David Gao was partially excused from the meeting.

At the meeting on 5 October 2021, the Supervisory Board was informed about the current business situation of the Group, the current status of measures to strengthen the internal control system, the current status of the announced takeover bid by Grifols, S.A. and the results of the ESsCOVID study. In addition, the Supervisory Board was informed about the sustainability strategy and the status of the Biotest Next Level project.

After the conclusion of the proceedings before the Darmstadt Regional Court in connection with the Company's business in Russia, the Supervisory Board unanimously passed a resolution by circular resolution on 25 October 2021, after extensive consultation and for the final conclusion of the complex of issues, taking into account the interest of the Company, on the assumption of the costs within the framework of the proceedings by the Company.

The subject of the Supervisory Board meeting on 28 October 2021 was, in particular, to inform the Supervisory Board about the meeting of the Chairman of the Supervisory Board together with the Board of Management with representatives of Grifols, S.A., the main points and the schedule of the takeover bid by Grifols, S.A. Furthermore, the Supervisory Board was informed about the legal framework of a joint reasoned opinion and about the background and status of the fairness opinion. Mr. Jürgen Heilmann was excused from the meeting.

On 5 November 2021, the Supervisory Board passed a resolution by circulation to recommend the acceptance of the takeover offer by Grifols, S.A. in a joint reasoned opinion by the Board of Management and the Supervisory Board.

In the meeting on 8 and 9 December 2021, the Supervisory Board was informed about the revenue and business development from January to October 2021, the 2021 business forecast and the current COVID-19 activities. The Supervisory Board approved the strategic realignment with regard to the Factor VIII business fields. The Board of Management also presented the budget

for 2022 to the Supervisory Board, which was approved by the Supervisory Board after detailed discussion. Furthermore, the Supervisory Board approved an extended budget for the accelerated development of Trimodulin and Fibrinogen. The Chairwoman of the Audit Committee reported on the key deliberations of the Audit Committee and gave the Supervisory Board a summary overview of the compliance report and risk management. The Supervisory Board unanimously approved the audit plan for the internal audit for financial year 2022. The Supervisory Board also passed a resolution to appoint Dr. Jörg Schüttrumpf as an additional member of the Board of Management of the Company with effect from 1 January 2022. Mr. David Gao was excused for part of the meeting.

COMMITTEES

In order to perform its duties efficiently, the Supervisory Board formed committees in the reporting year. The two committees are composed as follows as at the reporting date 31 December 2021:

Personnel and Remuneration Committee

Rolf Hoffmann (Chairman)

Dr. Salome Drechsler

Tan Yang

Audit Committee

Simone Fischer (Chairwoman)

Rolf Hoffmann

Jürgen Heilmann

Tan Yang

The Audit Committee met three times with the Board of Management in financial year 2021. The Chairwoman of the Audit Committee was also in regular contact with the Board of Management and the auditor outside of the meetings. The meetings and resolutions were prepared by reports and other information from the Board of Management. The heads of the relevant Group 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, the Audit Committee dealt with the accounting of the Company and the Group, including the financial reports during the year, and discussed these with the Board of Management. The auditor for 2021, the KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, also took part in two of the three meetings.

At the meeting on 24 March 2021, the Audit Committee discussed the Annual and Consolidated Financial Statements as well as the Management Report and Group Management Report in the presence of the auditor for financial year 2020, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn/ Frankfurt/Main, the dependency report and the separate sustainability report summarised for Biotest AG and the Group for financial year 2020, including the respective audit reports and notes of the auditor and the auditor for the sustainability 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 participated as guests in this financial statements meeting of the Audit Committee. The Audit Committee also dealt with the EMIR mandatory audit in accordance with Section 32 of the German Securities Trading Act. In the further course of the meeting, the Audit Committee discussed the appointment of KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, as auditors for the audit of the Annual and Consolidated Financial Statements, the Management Report and Group Management Report and the Dependent Company Report for financial year 2021. KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, is also to conduct the audit of the 2021 Non-Financial Statement of Biotest AG and the Group.

On 27 July 2021, the Audit Committee dealt with the results 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 the impact of the COVID-19 pandemic in the context of the financial indicators. In addition, the Audit Committee dealt with accounting issues regarding the half-year financial report and the Financial Market Integrity Strengthening Act. The auditor KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, introduced itself to the Audit Committee and explained an overview of the effects of the Financial Market Integrity Strengthening Act.

In the meeting on 8 December 2021, the Audit Committee dealt with the results 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. In addition, the internal audit plan for

2022 was discussed and approved. In the next meeting, the auditor KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, explained the updated audit plan for the 2021 audit and the results of the preliminary audit. The audit priorities for 2021 were confirmed by the Audit Committee. In addition, the auditor provided an overview of the non-audit services provided in 2021.

The Personnel and Remuneration Committee met three times in the reporting year.

In the meeting on 24 March 2021, the Personnel and Remuneration Committee dealt with the achievement of the targets for the Board of Management in 2020, new targets for the Board of Management in 2021 and the Long-Term Incentive Programme 2021-2024. In addition, the amendment of the Board of Management contracts and the expansion of the Board of Management to include an additional member from January 2022 were discussed.

At the meeting on 30 March 2021, the Personnel and Remuneration Committee again dealt with the expansion of the Board of Management from January 2022. In addition, the subject of the meeting was an overview of the impact of the COVID-19 pandemic. At the meeting, the first draft of the remuneration report in accordance with the new legal requirements was also discussed.

At the meeting on 4 December 2021, the Personnel and Remuneration Committee dealt with the recommendation of the election of a new Board of Management member and the succession planning for the Board of Management. Another topic of discussion was a preliminary review of the achievement of the 2021 Short-Term Incentive (STI) target and the presentation of initial ideas for 2022 targets.

INDIVIDUALISED MEETING ATTENDANCE

Due to the special circumstances of the COVID-19 pandemic, meetings during the year under review were held as virtual meetings or face-to-face meetings with the option to participate in virtual form. The attendance of the members of the Supervisory Board at the meetings of the Supervisory Board and the committees is disclosed below in individualised form. Only the meetings that took place during the respective membership in the Supervisory Board or the committee are shown.

Supervisory Board	Plenary-Meeting		Audit-Committee		Personnel and Compensation Committee	
Rolf Hoffmann (Chairman)	6/6	100%	3/3	100%	3/3	100%
David Gao	6/6	100%	-	-	-	-
Jürgen Heilmann	5/5	89%	3/3	100%	-	-
Kerstin Birkhahn, until 30. September 2021	3/3	100%	-	-	1/1	100%
Dr. Salome Drechsler, since 1. Oktober 2021	3/3	100%	-	-	2/2	100%
Tan Yang	3/3	100%	3/3	100%	3/3	100%
Simone Fischer	6/6	100%	3/3	100%	-	100%
Attendance (total)		98%		100%		100%

CORPORATE GOVERNANCE

The Supervisory Board continued to pay attention to the further development of corporate governance standards in the Company in 2021. In accordance with Principle 22 of the German Corporate Governance Code, the Board of Management and the Supervisory Board report on the Company's corporate governance in the Corporate Governance Declaration, which is published together with the Declaration of Conformity with the Recommendations of the Government Commission on the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG). The Board of Management and Supervisory Board of Biotest AG issued a Declaration of Conformity with the Recommendations of the Government Commission on the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act on 10 March 2022.

CHANGES TO THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

The following personnel changes took place in the Supervisory Board in the current financial year: Mrs. Kerstin Birkhahn resigned from the Supervisory Board of Biotest AG as an employee representative with effect from 30 September 2021. Dr. Salome Drechsler moved up to the Supervisory Board of Biotest AG as a substitute member with effect from 1 October 2021. The Supervisory Board would like to thank Mrs. Birkhahn for her commitment and many years of trustful cooperation.

FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, Germany, audited the Annual Financial Statements of Biotest AG and the Consolidated Financial Statements as at 31 December 2021 as well as the Management Report and the Group Management Report and issued an unqualified audit opinion. Furthermore, the report prepared by the Board of Management on the Company's relationships with affiliated companies (dependency report) was audited by the aforementioned auditing company and issued with an unqualified audit opinion:

"Based on our audit and assessment in accordance with professional standards, we confirm that the actual information in the report is correct, the Company's consideration for the legal transactions listed in the report was not unreasonably high."

The external auditor commissioned by the Supervisory Board to review the content of the separate non-financial statement also issued an unqualified audit certificate. The aforementioned financial statement documents, the auditor's report, the dependency report, the separate non-financial statement and the Board of Management's proposal for the appropriation of the balance sheet profit were submitted to all members of the Supervisory Board in good time. They were discussed in detail at the meeting of the Audit Committee on 23 March 2022 and at the meeting of the Supervisory Board on 24 March 2022. At both meetings, the auditor reported on the main results of the audit and was available to answer questions and provide additional information.

After its own examination and discussion of the Annual Financial Statements and the Consolidated Financial Statements, the Management Report and the Group Management Report, the Board of Management's proposal for the appropriation of the balance sheet profit, the Dependent Company Report and the separate non-financial statement, the Supervisory Board determined that it had no objections and approved the results of the audit by the auditor and the external auditor. Following the final result of the audit of the dependency report, the Supervisory Board also raises no objections to the Board of Management's declaration on the dependency report. The Supervisory Board approved the Annual Financial Statements and the Consolidated Financial Statements for financial year 2021 prepared by the Board of Management. The Annual Financial Statements are thus adopted. The Supervisory Board approved the Board of Management's proposal for the appropriation of the profit.

The Supervisory Board would like to thank the Board of Management and all employees for their constant commitment and constructive cooperation, without which the positive development of the Company in financial year 2021 would not have been possible.

Dreieich, 24 March 2022



Rolf Hoffmann
Chairman