

VITA 34 – THE CELL BANK UNLEASHING OUR HIDDEN POTENTIAL

VITA34



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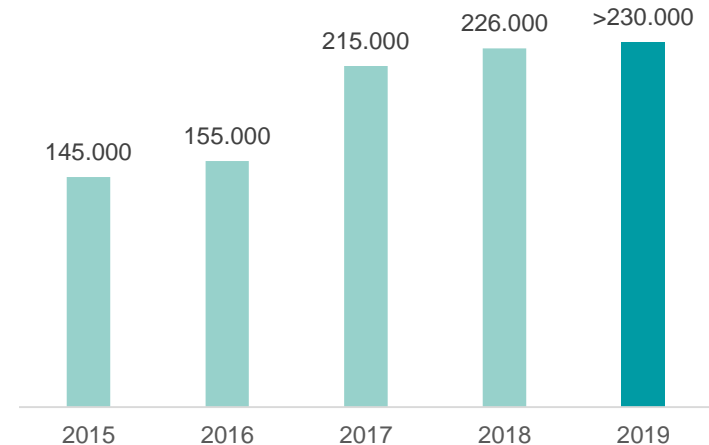
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VITA 34 AT A GLANCE



- Vita 34 AG was founded 1997 and is the European pioneer in the field of cord blood banking
- With more than 230,000 stem cell deposits, the Group, is by far the largest and marked-leading stem cell bank in the German-speaking countries and thus one of the two largest private umbilical cord blood banks in Europe
- Vita 34 is a full-service provider: collection, preparation, and storage of stem cells from umbilical cord blood and tissue

Accumulated number of stored stem cell units



MANAGEMENT & SUPERVISORY BOARD

Management Board with strong focus on Marketing, Sales and Development



Dr. Wolfgang Knirsch

CEO since June 2017
(previously COO since June 2016)

long-term expertise in Marketing & Sales
(Höchst AG, Merck KGaA, Biotest AG)



Falk Neukirch

CFO since October 2015

long-term expertise in the range of
company acquisitions, -integration,
international accounting (IFRS)
(Deloitte; JV of AMD, IFX, Toppan
Photomasks; First Sensor AG)

Supervisory Board

Frank Köhler
Chairman

Member and Chair
since June 2017

Entrepreneur

Steffen Richtscheid
Deputy Chairman

Member
since June 2017

Lawyer

Dr. med Mariola Söhngen
Member

Member
since 2016

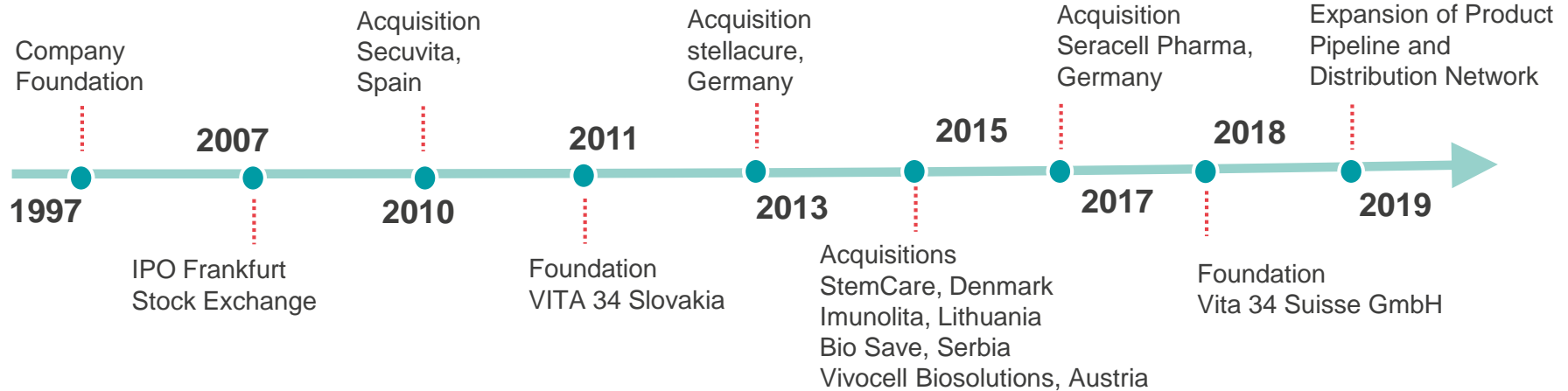
Entrepreneur

Nicolas Schobinger
Member

Member
since 2019

Entrepreneur

20 YEARS OF SUCCESSFUL BUY & BUILD TRACK-RECORD



Expansion of Product Pipeline

- Focus on becoming a well positioned player in European Cell Banking
- Scope on new cell therapies
- 'Product +1': increase of recurring revenue per existing client

Expanding Distribution Network

- Contracting new Sales Partner in Europe and Middle East

Opportunistic M&A Approach

- Potential further deals to fuel inorganic growth
- Regionally selective: only in highly attractive markets with adequate competition structure
- Sustainable valuation multiples

VITA 34 – FAMILY



CELL BANKING TAKES MORE THAN “JUST A FRIDGE”



Market Coverage

- ✓ 96% market coverage of maternity clinics (Germany)
- ✓ New market partnerships in preparation (e. g. B2B, health insurance funds)

Technology

- ✓ Whole blood / separation
- ✓ High cell yield
- ✓ Established processes for autologous and allogenic use



GMP Processes

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

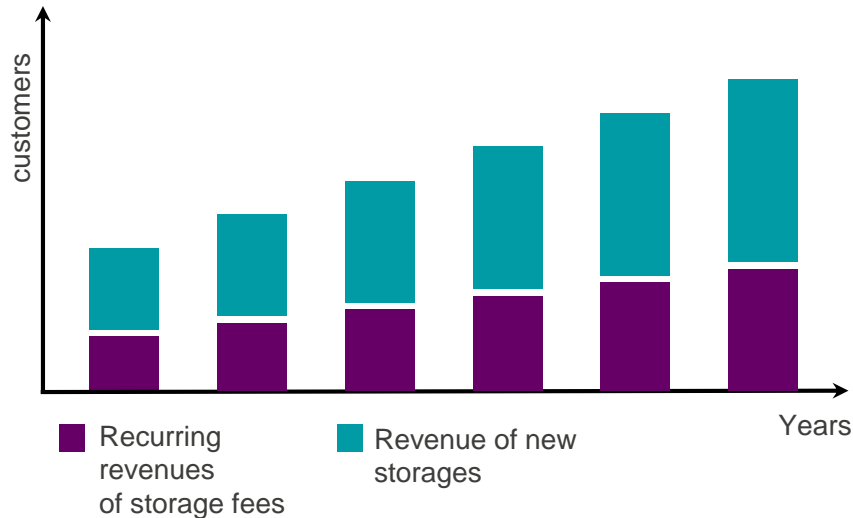
Product Pipeline

- ✓ New products in Cell Banking well on track
- ✓ Strong track record in certification processes

Strong market entry barriers safeguard our claimed position

ESTABLISHED BUSINESS MODEL AS STRONG BASIS

'On-top' Cash Flows from new contracts and sustainable recurring revenues

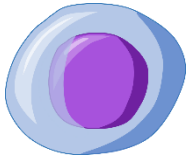


- Revenues consist of
 - processing fees for new storages and
 - recurring, annual fees for existing storage
- Annual storage fees ensure steady, long-term Cash flows
- Each new contract increases base for future recurring revenues – regardless of # of new contracts in the next year
- Very high customer loyalty
- Backed-up by rising medical importance:
 - 42 medical treatments since 1997
 - thereof 10 in 2018/2019 and 9 in pipeline

→ **Stable and predictable business model with high visibility for investors**

CORD BLOOD AND CORD TISSUE CONTAIN STEM CELLS WITH THERAPEUTIC POTENTIAL

Relevant types of stem cells



Blood-forming stem cells
(able to replace all human
blood cells)



Mesenchymal stem cells
(Stem cells of the connective
tissue, able to replace
damaged bone cells, nerve
cells, cartilage or fat)

Cord blood cells are young and vital



In most cases, cells have never been activated
by an immune reaction



They cause almost no immune reaction when
transplanted (in contrast, cells from adults cause
reactions – immune suppression is needed)



Cord blood is usually free of viruses



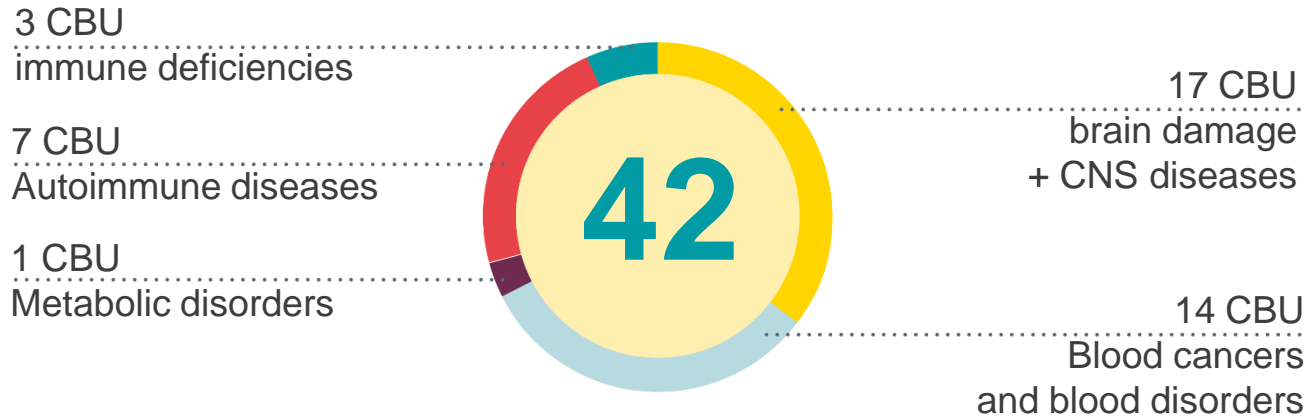
Cord blood can be cryopreserved for
decades without any loss of function of
the stem cells



>100 clinical trials try to establish cord blood as a
new treatment for various diseases

CORD BLOOD RELEASED FOR TREATMENT

As of today 42 cord blood units, stored at Vita 34, have been released for the treatment of various diseases.



thereof 10 in 2018/2019; 9 open requests

ESTABLISHED PROCESSING & VALUE CHAIN



Present process from customer acquisition to storage, adaptable also for new product segments



1.

Information via doctors, midwives, health insurances or Internet



2.

Order via Internet, contract, medical history, shipping of collection kit



3.

Collection in partner hospitals (96% market coverage in Germany)



4.

Shipping to Vita 34 within max. 72 hours



5.

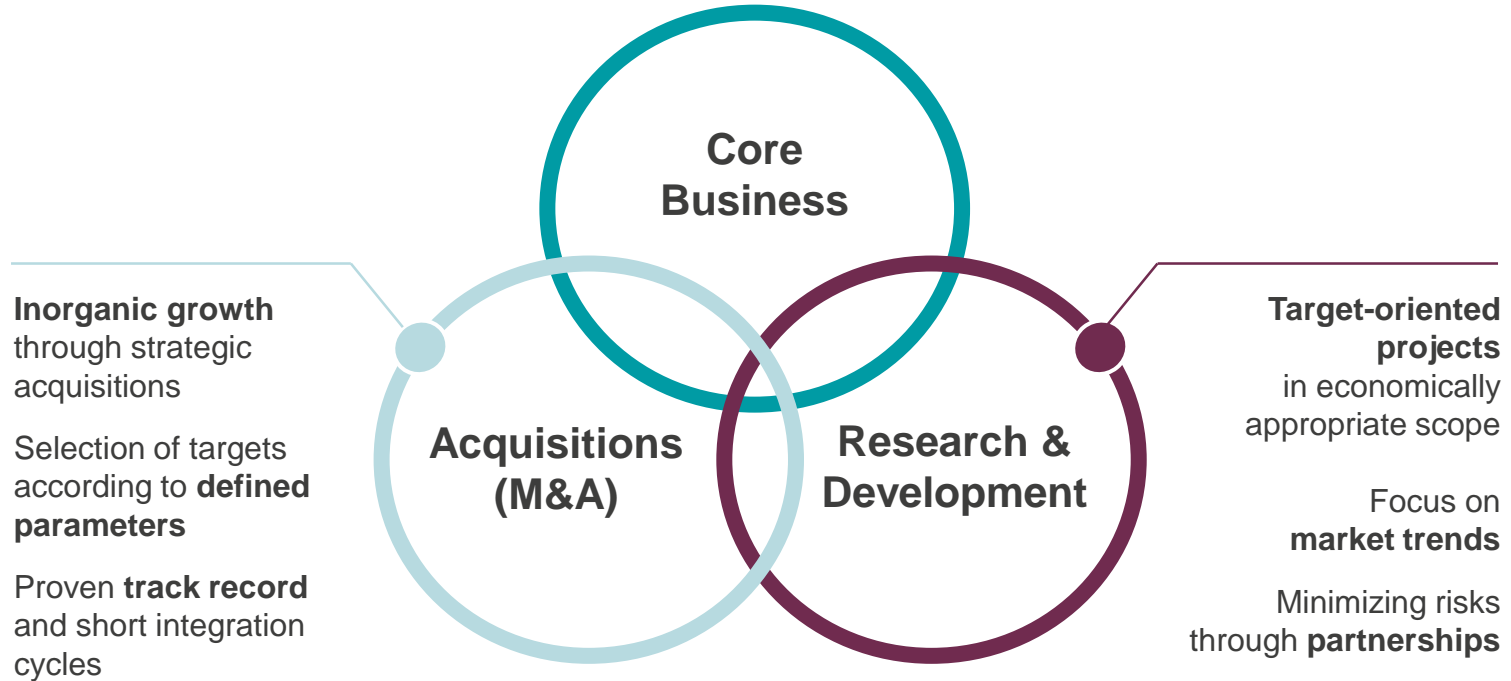
Processing in the laboratory, analysis and preparation of storage



6.

Storage in controlled process at -180° C





→ **High visibility in core business as a basis for future expansion strategy**

R&D – CELL BANKING AS A SERVICE

Cryo-preservation of cells opens multiple application possibilities

TYPES OF BIOLOGICAL SAMPLES IN LONG-TERM STORAGE	MARKET	APPLICATIONS	POTENCIAL	EXPERTISE
	Umbilical Cord Blood Umbilical Cord Tissue Adipose Tissue ...	Stem cell sources for regenerative medicine and immunomodulatory applications	+++	+++
	Separated Immune Cells Peripheral Blood	Immunotherapies / immuno-oncological therapies	+++	++
	Tumor Samples Patient Material Cell Lines / Clones	Research & Development	+++	+

OUR MISSION: BROAD PORTFOLIO IN EUROPEAN CELL BANKING

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THE STEM CELL BANK

-- → since 1997

Stem Cells

European pioneer and one of the leading stem cell banks in Europe (TOP 3)

Whole Blood Cells

Unlike most competitors we store the whole cord blood, the technology with the highest cell yield



-- → 2021e

Adipose Tissue

'Adipovita':
Preservation of stem cells from adult body fat

Precursor to SVF technology

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THE CELL BANK

-- → end of 2022e

Immune Cells

Cryo-preservation of immune cells from peripheral blood for new cell therapies (e. g. CAR-T Cell therapy)

-- → 2022/2023e

Stromal Vascular Fraction (SVF)

Cell fraction preparation & preservation used for multiple treatments (e.g. Arthritis, Cosmetic Surgery)

IMMUNE CELL THERAPIES – A BIG STEP TOWARDS “PERSONALIZED MEDICINE”

Immune cells
Increasing impact
in anti-cancer therapies

CAR-T
Immunotherapies
approved by FDA and EMA
Kymriah® (Novartis)
Yescarta (Gilead)

400+
experimental therapies
in clinical research

Therapeutic
Success



HIGHLY
dependent on
cell quality



**Pre-emptive &
Preventive** storage
ahead of classic
cell damaging therapies

NEW PRODUCT “IMMUNE CELLS” & ECONOMIC RATIONAL

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Rationale behind the new product

- ✓ Cryo-preservation of immune cells from peripheral blood offers, for the **first time in Germany**, the **chance of conserving immune cells for everybody**
- ✓ **GMP process** (blood sampling, transport, processing & cryo-conservation) is **similar** to already established GMP process for cord blood processing, approval and permission process “manageable”
- ✓ **Successful medical treatments** with immune cells by 3rd party pharmaceutical companies **will rapidly increase public awareness** of new medical benefits from immune cell storages
- ✓ Potential **Synergies from existing customer base**

POTENTIAL SYNERGIES FROM EXISTING CUSTOMER BASE

Pre-market sounding indicates high product acceptance from client families

90 %

view our new product offering
positive

thereof

33 %

view our new product offering
extremely positive

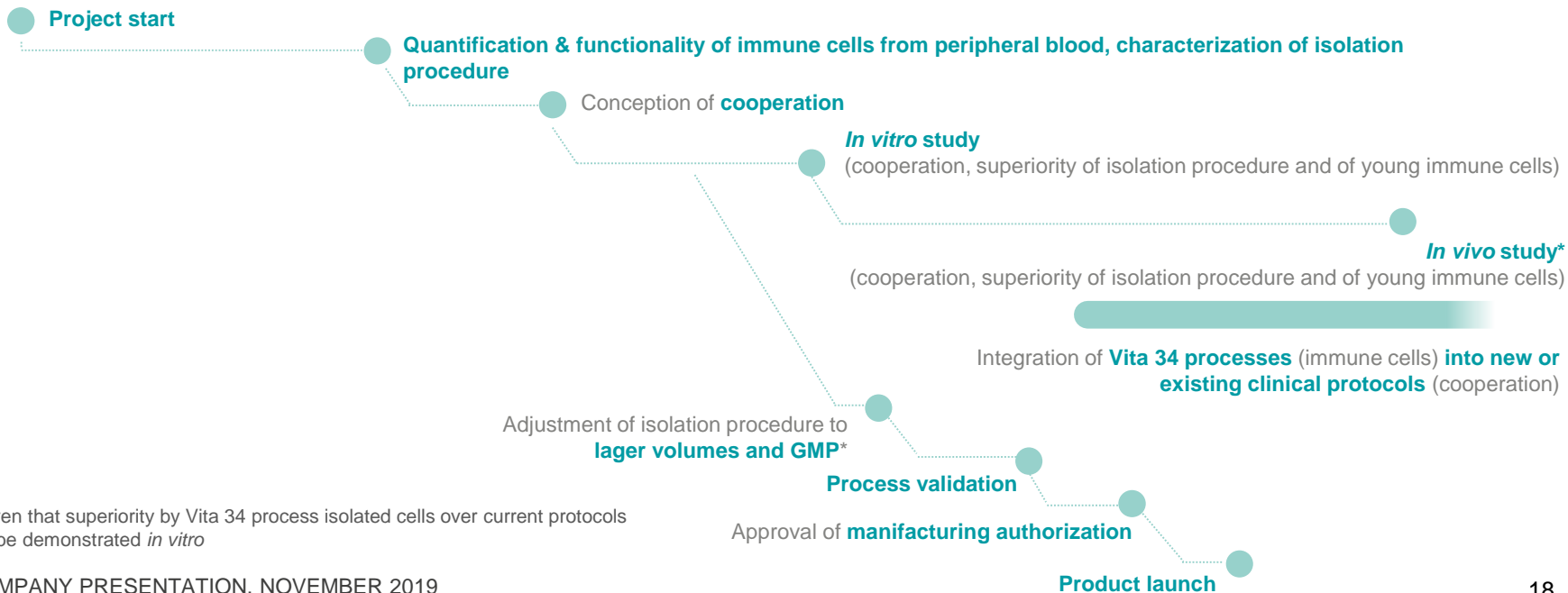
Strong effect on EBITDA likely due to relatively
low need for investments / 'Product + 1' leverage

**Vast
product-to-market
potential from
existing
customer base!**

CRYOPRESERVATION AND STORAGE OF AUTOLOGOUS IMMUNE CELLS

EXPECTED PRELIMINARY MILESTONES (STATUS OCTOBER 2019)

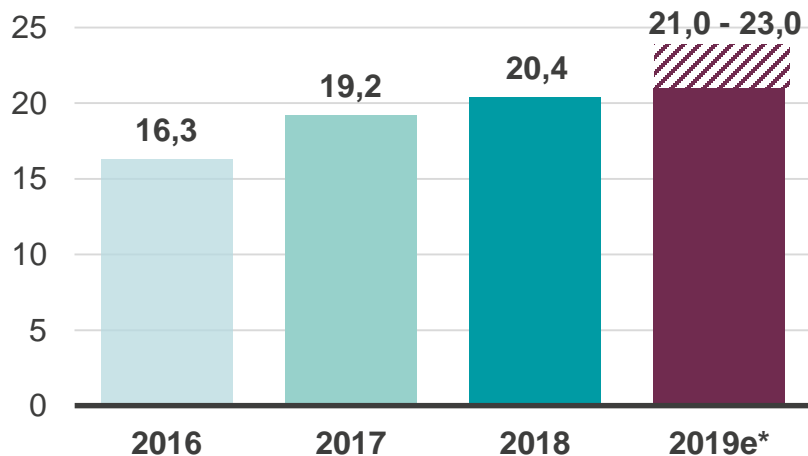
2018	2019				2020				2021				2022				2023			
Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4



* Given that superiority by Vita 34 process isolated cells over current protocols can be demonstrated *in vitro*

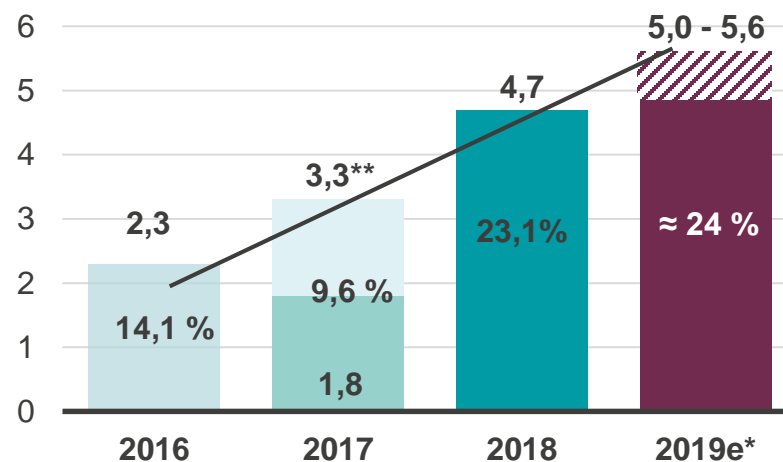
DEVELOPMENT OF REVENUES AND EBITDA

Revenues (in mEUR)



* Preliminary Revenues

EBITDA (in mEUR) and EBITDA margin (in%)



* Preliminary EBITDA

** EBITDA adjusted for significant non-recurring items

DEVELOPMENT OF IMPORTANT KEY FIGURES

in EUR thousands	9M 2019	9M 2018	Δ abs	Δ [%]
Revenues	15,119	15,551	-432	-2.8%
Gross profit	9,487	9,006	481	5.3%
EBITDA	4,542	3,281	1,261	38.4%
<i>EBITDA-Margin on revenues [%]</i>	<i>30.0</i>	<i>21.1</i>		<i>42.4%</i>
EBIT	2,697	1,682	1,015	60.3%
Net earnings	1,220	1,049	171	16.4%
Earnings per share [EUR]	0.30	0.26	0.04	15.4%

	30.09.2019	31.12.2018	Δ abs	Δ [%]
Total assets	60,262	59,317	945	1.6%
Equity	30,287	29,546	741	2.5%
<i>Equity ratio [%]</i>	<i>50.3</i>	<i>49.8</i>		<i>0.9%</i>
<i>Liquid funds</i>	<i>8,696</i>	<i>6,960</i>	<i>1,736</i>	<i>24.9%</i>

DEVELOPMENT OF IMPORTANT KEY FIGURES

in EUR thousands	Q3 2019	Q3 2018	Δ abs	Δ [%]
Revenues	5,351	5,375	-24	-0.4%
Gross profit	3,472	3,232	240	7.4%
EBITDA	1,753	1,284	469	36.5%
<i>EBITDA-Margin on revenues [%]</i>	32.8	23.9		37.1%
EBIT	1,137	767	370	48.3%
Net earnings	173	505	-332	-65.8%
Earnings per share [EUR]	0.04	0.12	-0.08	-66.7%

	30.09.2019	31.12.2018	Δ abs	Δ [%]
Total assets	60,262	59,317	945	1.6%
Equity	30,287	29,546	741	2.5%
<i>Equity ratio [%]</i>	50.3	49.8		0.9%
<i>Liquid funds</i>	8,696	6,960	1,736	24.9%

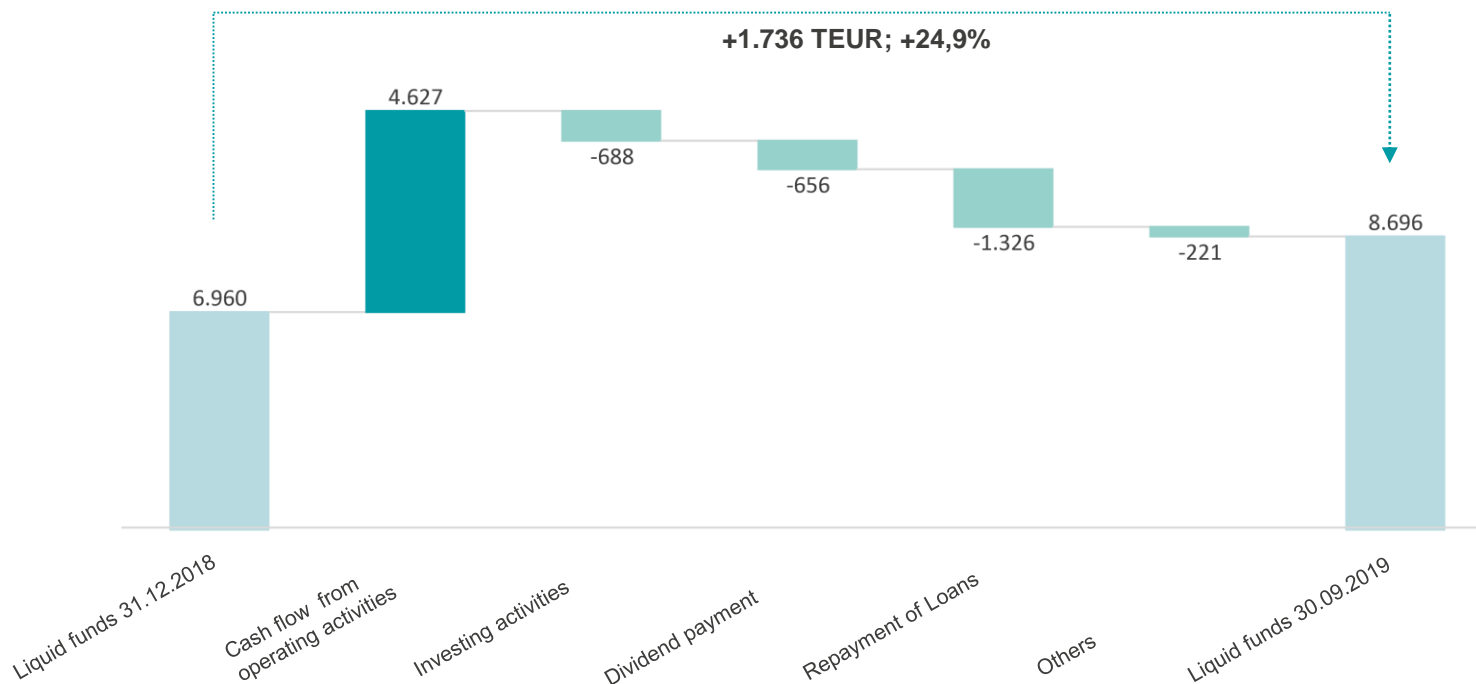
DEVELOPMENT OF IMPORTANT KEY FIGURES

in EUR thousands	Q3 2019	Q2 2019	Δ abs	Δ [%]
Revenues	5,351	4,983	368	7.4%
Gross profit	3,472	3,126	346	11.1%
EBITDA	1,753	1,497	256	17.1%
<i>EBITDA-Margin on revenues [%]</i>	32.8	30.0		9.0%
EBIT	1,137	883	254	28.8%
Net earnings	173	586	-414	-70.6%
Earnings per share [EUR]	0.04	0.14	0.10	-71.2%

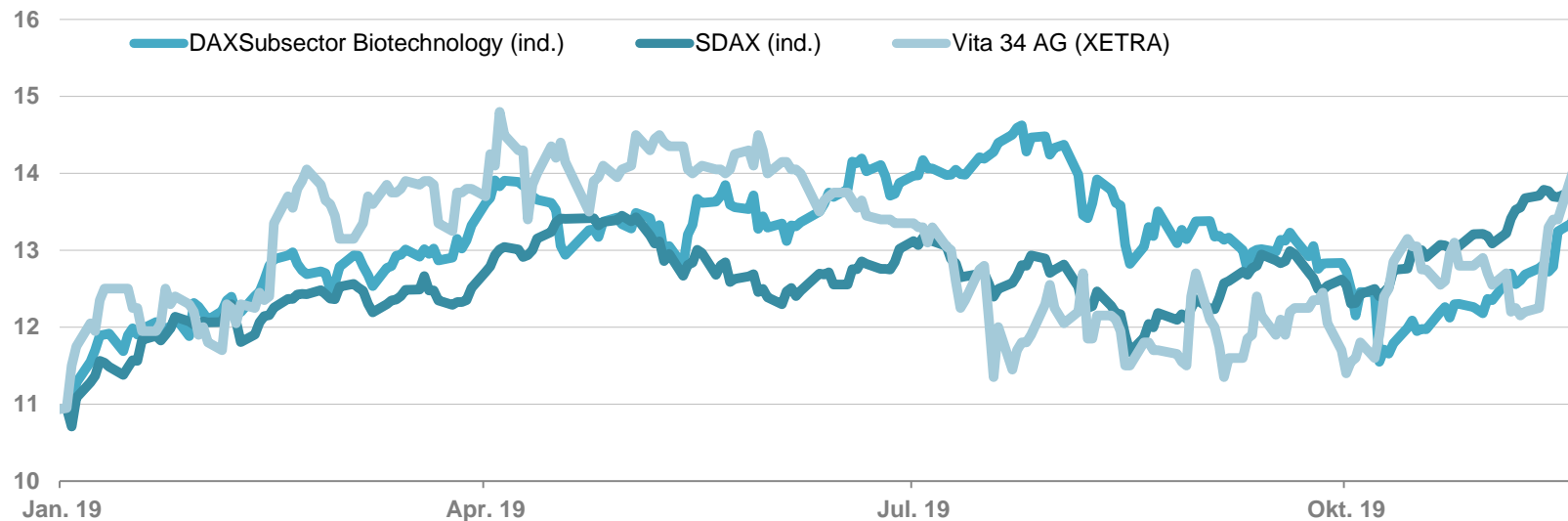
	30.09.2019	30.06.2019	Δ abs	Δ [%]
Total assets	60,262	60,269	-7	-0.0%
Equity	30,287	30,115	172	0.6%
<i>Equity ratio [%]</i>	50.3	50.0		0.6%
<i>Liquid funds</i>	8,696	7,297	1,399	19.2%

CONSOLIDATED FINANCIAL STATEMENTS 9M 2019

CASH AND CASH EQUIVALENTS



SHARE PRICE DEVELOPMENT

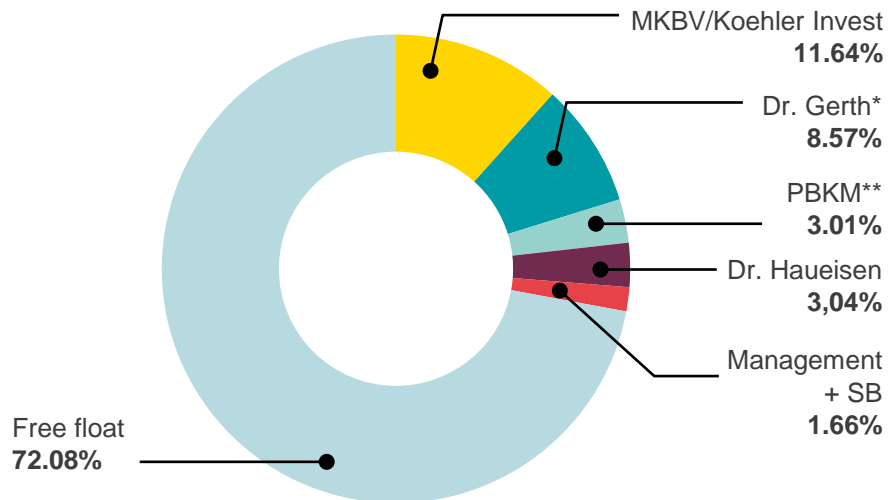


Key facts

ISIN	DE0007238008	High / Low (XETRA Close, since 01.01.19)	EUR 14.80 / 10.95
Segment	Prime Standard	Market Cap (19.11.2019)	EUR 57.8 m
Shares outstanding	4,145,959	Free float (19.11.2019)	72.08 %

VITA 34 SHAREHOLDER STRUCTURE

Shareholder structure (June 04, 2019)



* Attribution of voting rights of PBKM for acting in concert; refers to notification of major holdings dated 20th June 2018

** Attribution of voting rights of Dr. Gerth for acting in concert; refers to notification of major holdings dated 20th June 2018

Analyst reports

Montega	2019/11/11	Buy	Target price : EUR 17.50
Warburg Research	2019/09/06	Buy	Target price : EUR 18.00

Dividend per share



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