



QUARTERLY STATEMENT

January to March 2019



Letter from the Management Board

Dear Shareholders,

In the first quarter of 2019, we have been able to continue the very good business trends from 2018. In earnings in particular, the measures we have taken have shown results. The EBITDA margin increased from 21.0% to 27.0%, and EBITDA increased from EUR 1.1 million in the first quarter of the previous year to EUR 1.3 million in the same period in the current year, which in percentage terms represents growth of 21%. The earnings per share rose by 55.0% to EUR 0.11. As a result, we have continued with the more-than-proportional positive profitability trend from 2018 and increased our earnings power further.

The basis for this further increase in our earnings power was the stable development of sales in the DACH region (Germany, Austria, and Switzerland), with its particularly strong margins, as well as the successful implementation of the restructuring measures taken in Scandinavia. Sales trends in international markets outside the DACH region in the reporting period continued to be affected by the necessary 2017/2018 restructuring of the sales operations in the individual country markets and fell slightly as a result. In total, sales decreased slightly from EUR 5.1 million to EUR 4.8 million, a fall of 5.7%. There are indications that this trend is bottoming out. At the same time, the restructuring provides significant potential for the future.

On the marketing and sales side, we will also continue our path in 2019 in order to reinforce our long-term growth course. The “VitaPur” contract model launched in summer 2018 is providing additional impetus. The new corporate branding and design implemented in the first quarter of 2019 provide positive support to our marketing mix. Why not take a look at our website in order to obtain your own impression of your company’s new presence.

Our corporate identity now also reflects our forward-thinking further development. We are working at all levels to build on our strong position and, at the same time, to gain a broader positioning. The offer of cryo-preservation of immune cells from peripheral blood and umbilical cord blood is intended to provide a decisive expansion of our product range and our target group. We believe that it is possible to obtain the manufacturing permit for this new product within the next 24 months. The position as market leader in our core business in Germany and in the DACH region is the best starting point for this strategic further development and at the same time, it is the standard we set ourselves in this significantly larger market. On the one hand, with this product offering we widen the range of possible cell types for which we can provide storage services. On the other hand, we will be able to provide an offering not only for expectant parents but for people of all ages, which will multiply the market potential.

As an international cell bank, in future we will be able to profit from the developments made in personalized medicine with a range of completely new, diverse cell therapies. For us, this is the way forward, even if it will take some time until the entire potential of this still very young market becomes visible. This makes it even more a matter of central importance for us that we make sure that our core business is able to generate strong earnings, in addition to addressing strategic further development. This makes it possible to implement this strategy using our own resources, and at the same time to follow up on potential M&A opportunities and to enable you, our shareholders, to participate in this earning power. Accordingly, together with the Supervisory Board, we propose the payment of a dividend of EUR 0.16 per share to the Annual General Meeting to be held on June 4, 2019.

Leipzig, May 2019



Dr. Wolfgang Knirsch
Chief Executive Officer



Falk Neukirch
Chief Financial Officer

Group Key Figures

		Q1 2019	Q1 2018
Income Statement			
Sales revenue	EUR thousands	4,785	5,076
Gross profit	EUR thousands	2,889	2,930
EBITDA	EUR thousands	1,292	1,067
EBITDA margin as a percentage of sales	%	27.0	21.0
Net operating result (EBIT)	EUR thousands	678	541
Net result for the period	EUR thousands	461	308
Earnings per share	EUR	0.11	0.07
Balance sheet		31.03.2019	31.12.2018
Balance sheet total	EUR thousands	60,756	59,317
Equity	EUR thousands	30,184	29,546
Equity ratio	%	49.7	49.8
Liquid funds	EUR thousands	7,525	6,960
Cash flow		Q1 2019	Q1 2018
Investments	EUR thousands	262	376
Amortization and depreciation	EUR thousands	614	526
Cash flow from operating activities	EUR thousands	1,223	472
Employees			
At the reporting date	Number	118	133

Course of Business and Results of Operations

With an overall very stable business development in the DACH region and a slight decline in the international business as a result of the effects of the necessary restructuring of the sales operations in the year 2017/2018, in particular in south-east Europe, Vita 34 was able to generate sales of EUR 4.8 million in the first quarter of 2019. In the same period in the previous year, which was in turn characterized by strong growth, sales were EUR 5.1 million, 5.7% higher.

While the restructuring of the international business continued to dampen the sales trend, the positive effects on earnings are still clearly apparent. Additional earnings impetus is being generated as a result of constant cost discipline, which has led to a further reduction in administrative expenses, for example. As a result, it was also possible to more than compensate for the increase in marketing expenses.

Vita 34 was able to increase EBITDA by 21.0% in the first quarter of 2019, from EUR 1.1 million to EUR 1.3 million. There was a correspondingly positive trend in EBITDA margin (as a proportion of sales), which climbed from 21.0% to 27.0%. The operating profit (EBIT) grew by 25.2%, from EUR 0.5 million to EUR 0.7 million. The EBIT margin increased from 10.7% to 14.2%.

The very positive trend in earnings continued throughout the income statement and resulted in a significant increase in the Group net result for the period after tax, which rose by 49.9% from EUR 0.3 million to EUR 0.5 million. Accordingly, Vita 34 was able to improve earnings per share by 55.0%, from EUR 0.07 to EUR 0.11.

Financial Position and Net Assets

Thanks to the positive earnings trends, in combination with a continued improvement in working capital, it was possible to increase cash flow from operating activities from EUR 0.5 million in the first quarter of 2018 to EUR 1.2 million, representing a growth of 159.0%. With investments of EUR 0.3 million in the reporting period, this led to a further significant more-than-proportional increase in free cash flow.

Cash and cash equivalents rose from EUR 7.0 million at December 31, 2018 to EUR 7.5 million at March 31, 2019.

In the first three months of the reporting period, there were no other significant changes to the Group's financial position and net assets compared to December 31, 2018 or to the same period in the previous year.

Forecast 2019

For the fiscal year 2019, the Management Board's expectation that the profitable growth trend will continue remains unchanged, and the Board expects (excluding acquisitions) sales revenues of between EUR 21.0 million and EUR 23.0 million and EBITDA of between EUR 5.0 million and EUR 5.6 million.

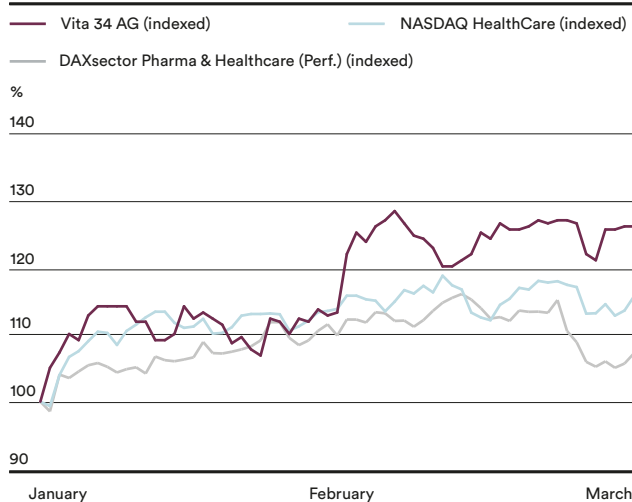
Share

Share Data Q1 2019

Ticker symbol/Reuters symbol	V3V/V3VGn.DE
Securities number/ ISIN	A0BL84/DE000A0BL849
Number of shares	4,145,959
Price on January 2, 2019*	10.95 EUR
Price on March 29, 2019*	13.80 EUR
Market capitalization (March 29, 2019)	57.2 Mio. EUR

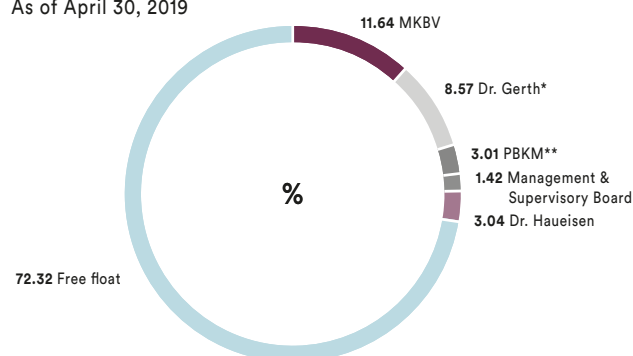
* Closing prices Xetra trading system of Deutsche Börse AG

Share Price Development Q1 2019



Shareholder Structure

As of April 30, 2019



* Attribution of voting rights of PBKM designated as "acting in concert"; see voting rights notification dated June 20, 2018

** Attribution of voting rights of Dr. Gerth designated as "acting in concert"; see voting rights notification dated June 20, 2018

Condensed Consolidated Income Statement

EUR thousands	Q1 2019	Q1 2018
Sales revenue	4,785	5,076
Cost of sales	-1,896	-2,146
Gross profit on sales	2,889	2,930
Other operating income	150	101
Marketing and selling costs	-1,282	-1,278
Administrative expenses	-1,071	-1,206
Other operating expenses	-7	-5
Net operating result (EBIT)	678	541
Financial income	4	10
Financial expenses	-59	-64
Earnings before taxes	623	488
Income tax expense/income	-162	-180
Net result for the period after taxes	461	308
Attribution of the net result for the period to the:		
Owners of the parent company	464	309
Non-controlling interests	-3	-1
Earnings per share, undiluted/diluted (EUR)		
Undiluted and diluted, relating to the net result for the period attributable to the holders of ordinary shares of the parent company	0.11	0.07

Condensed Consolidated Balance Sheet (Assets)

EUR thousands	31.03.2019	31.12.2018
Non-current assets		
Goodwill	18,323	18,323
Intangible assets	19,624	19,990
Property, plant and equipment	7,049	6,908
Usage rights	1,324	0
Other assets	1,197	1,312
Trade receivables	907	1,088
Restricted cash	370	296
	48,794	47,917
Current assets		
Inventories	355	456
Trade receivables	2,725	2,744
Current tax assets	838	845
Other receivables and assets	519	395
Cash and cash equivalents	7,525	6,960
	11,962	11,401
Total Assets	60,756	59,317

Condensed Consolidated Balance Sheet (Equity and Liabilities)

EUR thousands	31.03.2019	31.12.2018
Equity		
Registered capital	4,146	4,146
Capital reserves	23,913	23,913
Retained earnings	2,411	1,848
Other reserves	-145	-145
Treasury shares	-261	-337
Non-controlling interests	119	122
	30,184	29,546
Non-current liabilities		
Interest-bearing loans	4,938	5,383
Leasing liabilities	785	0
Deferred grants	815	827
Contract liabilities	11,386	11,355
Deferred income tax	4,363	4,306
	22,287	21,870
Current liabilities		
Trade payables	1,133	1,106
Provisions	164	164
Income tax payable	340	294
Interest-bearing loans	2,305	2,305
Leasing liabilities	541	0
Deferred grants	63	63
Contract liabilities	2,762	2,803
Other liabilities	977	1,166
	8,285	7,901
Total Equity & Liabilities	60,756	59,317

Condensed Consolidated Cash Flow Statement

EUR thousands	Q1 2019	Q1 2018
Cash flow from operating activities		
Earnings before taxes for the period	623	488
Adjusted for:		
Amortization and depreciation	614	526
Other non-cash expenses/income	-10	-11
Financial income	-4	-10
Financial expenses	48	64
Changes in working capital:		
+/- Inventories	102	16
+/- Receivables and other assets	116	-255
+/- Liabilities	-162	-307
+/- Contract liabilities	-9	126
Interest paid	-44	-64
Income taxes paid	-52	-101
Cash flow from operating activities	1,223	472
Cash flow from investing activities		
Purchase of intangible assets	-5	-14
Purchase of property, plant, and equipment	-256	-362
Cash receipts from the disposal of property, plant, and equipment	2	0
Interest received	4	10
Cash flow from investing activities	-255	-365
Cash flow from financing activities		
Cash receipts from share issues	176	0
Cash outflows from loan repayments	-448	-72
Cash outflows for leases	-131	0
Cash flow from financing activities	-403	-72
Net change in cash and cash equivalents	565	34
Cash and cash equivalents at the beginning of the reporting period	6,960	4,180
Cash and cash equivalents at the end of the reporting period (liquid funds)	7,525	4,215

Financial Calendar 2019

June 4, 2019	Annual General Meeting
August 29, 2019	Publication of Half-year Financial Report
November 21, 2019	Publication of Quarterly Statement (Q3)

Imprint

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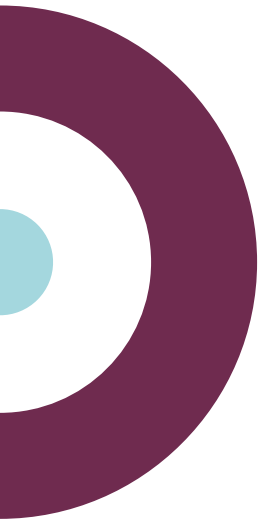
Silvester Group, Hamburg

PUBLICATION

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Vita 34's website: www.vita34group.de

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