



QUARTERLY STATEMENT

January to September 2023



LETTER FROM THE MANAGEMENT BOARD

Dear Shareholders,

In a persistently challenging environment, we are becoming increasingly successful in sustainably stabilizing our business development. Having already seen clear signs of this stabilization in the second quarter, the adjustments to our pricing models, the implementation of efficiency programs as well as integration measures are increasingly having the effect of stabilizing this trend for the long term.

At EUR 56.7 million, revenues in the first nine months were up 11.7% on the previous year. In an environment characterized by persistently weak birth rates, we can thus point to solid revenue growth, also thanks to an improved product mix with a higher proportion of customers opting for products in the premium price category. The price adjustments we introduced in the first half of the year to compensate for the effects of the significant rise in inflation also had a positive impact on our revenue and earnings performance in the third quarter. The harmonization of our accounting in accordance with IRFS 15 carried out in the previous year furthermore added to this.

We have also further stabilized our earnings trend. At EUR 3.6 million, our earnings before interest, taxes, depreciation and amortization (EBITDA) were once again significantly higher than the previous year's negative figure of EUR -1.6 million. For the third time in a row, we are thus showing significantly improved growth momentum in the current fiscal year. In the third quarter alone, we succeeded in doubling EBITDA compared to the previous year.

However, the current environment – with all its uncertainties and challenges – also gives us reason for cautious optimism in some areas. Although birth rates are still at low levels, which is unlikely to change in the near future, we are seeing an easing of inflation in large parts of Europe. We see this as a positive trigger for potential improvement in consumer sentiment.

At the same time, we will work intensively on further optimizing our cost base, for example by improving the utilization of our “Best Cost Countries” locations, i.e. countries in which the availability of skilled workforce is in a healthy relationship to costs. In the third quarter, we optimized our staff utilization at some locations and some of our production processes.

Against the backdrop of continued strict cost discipline, the efficiency programs and further integration efforts within the Group, our cash flow also improved further in the third quarter. The restructuring of our credit lines, in which we merged older liabilities into new lines, had a significant impact on this. At EUR 4.8 million, our operating cash flow was also significantly higher than in the previous year. However, the new structure of our credit lines reduced our cash and cash equivalents to EUR 10.4 million in the third quarter. In addition to this, on the other hand, we now have free credit lines of EUR 8.9 million at our disposal.

In view of the persistently challenging environment, we consider our business performance in the third quarter to be positive overall. As expected in our guidance, we were able to increase our growth momentum in terms of sales and earnings. For this reason, we remain confident about our outlook for the year as a whole and confirm our guidance for 2023.

Leipzig, November 2023
The Management Board of Vita 34 AG



Jakub Baran
Chief Executive
Officer



Dirk Plaga
Chief Financial
Officer



Tomasz Baran
Chief Commercial
Officer

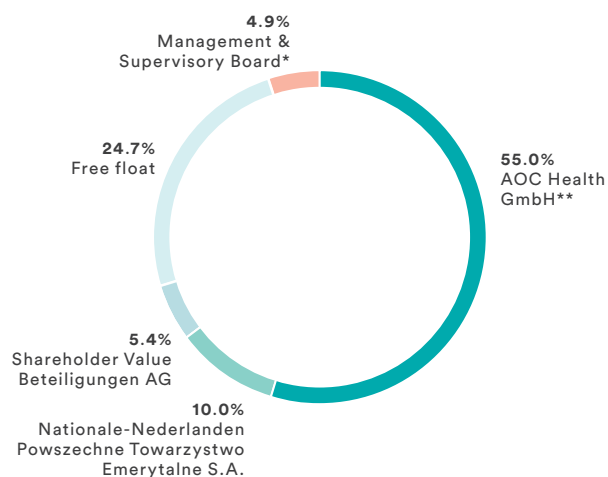
Vita 34 AG Shares

Key Share Data 9M 2023

Ticker symbol/Reuters symbol	V3V/V3VGn.DE
Securities identification number/ISIN	A0BL84/DE000A0BL849
Number of shares	16,036,459
Price on 01/02/2023*	EUR 7.86
Price on 09/29/2023*	EUR 4.55
Market capitalization (on 09/29/2023)	EUR 73.0 million

* Closing prices Xetra trading system of Deutsche Börse AG

Shareholder structure as of September 30, 2023



* The members of the Management Board hold the following numbers of shares: Jakub Baran 605,426 and Tomasz Baran 122,800.

** The Deputy Chairman of the Supervisory Board, Florian Schuhbauer, is a shareholder of AOC Health GmbH

Share price development 9 months 2023

— Vita 34 AG (indexed) — SDAX (indexed)



GROUP KEY FIGURES

		Q3 2023	Q3 2022	9M 2023	9M 2022
Income statement					
Sales revenue	EUR thousand	20,413	18,655	56,682	50,764
Gross profit	EUR thousand	8,939	5,987	21,360	13,409
EBITDA	EUR thousand	2,039	1,008	3,590	-1,606
EBITDA margin as a percentage of sales	%	10.0	5.4	6.3	-3.2
Operating result (EBIT)	EUR thousand	-89	-1,111	-2,823	-7,976
Result for the period	EUR thousand	-1,606	-386	-5,830	-8,058
Earnings per share	EUR	-0.10	-0.02	-0.35	-0.50
Balance sheet					
Balance sheet total	EUR thousand			Sept. 30, 2023	Dec. 31, 2022
				149,051	151,508
Equity	EUR thousand			10,891	15,852
Equity ratio	%			7.3	10.5
Liquid funds	EUR thousand			10,415	16,290
Cash flow					
Cash flow from investing activities	EUR thousand			9M 2023	9M 2022
				-2,662	-4,148
Depreciation and amortization	EUR thousand			6,412	6,370
Cash flow from operating activities	EUR thousand			4,834	-96

Business development and results of operations

THIRD QUARTER OF 2023

The third quarter of 2023 was essentially a continuation of the steadily improving business performance of the first two quarters of 2023. European customers' purchasing habits continued to be affected by higher interest rates, inflation, the war in Ukraine and economic fears. Demand was noticeably impacted by the continued decline in birth rates in the European core markets, although these appear to have stabilized in some countries over the course of the year and give hope for a certain normalization of demand for the storage of umbilical cord blood and tissue. In Germany, however, the drop in births from January to August inclusive was still -6.7% compared to the same period in 2022. In this environment, Group sales developed positively at EUR 20.4 million in the third quarter, as they were above the sales of the first two quarters and above the sales of the same

quarter of the previous year of EUR 18.7 million. The growth is primarily due to price adjustments and the positive effects of revenue recognition for the restructured contracts in accordance with IFRS 15.

EBITDA for the third quarter of 2023 amounted to EUR 2.0 million and was therefore significantly higher than the figures for the first and second quarters and the figure of EUR 1.0 million for the same quarter of the previous year. This means that the improved earnings performance during the year continued at a much more dynamic pace in the months of July to September. During this period, marketing and sales activities were opportunisticly maintained at a high level. Furthermore, investments in research and development and in the newly emerging business areas were made consistently and at the same time at a measured pace. EBIT for the third quarter of 2023 was almost balanced,

which is a noticeable improvement on the previous year's figure of EUR –1.1 million. Despite the significantly better operating earnings performance, the net result for the period for the 3-month period from July to September fell to EUR –1.6 million after EUR –0.4 million in the third quarter of 2022 due to noticeably higher financial expenses related with broadly understood Group refinancing exercise.

NINE-MONTH PERIOD OF 2023

The lower birth rates remained the determining factor on the demand side throughout the 9-month period. At the same time, there is little sign of any easing in other negative environmental factors such as inflation, higher interest rates and the prevailing fears of war – at best a certain familiarization effect. Nonetheless, a stabilization trend can be observed in the market. Therefore, the Vita 34 Group is once again accelerating its already great efforts to position itself leanly and efficiently, in order to be able to profit disproportionately strongly when the market picks up again. In this environment, sales growth of 11.7% can certainly be considered a great success. As in the first half of the year, this increase was made up of positive price effects and positive effects from revenue recognition and accounting in accordance with IFRS 15. It was dampened by the prevailing weakness in demand. Overall, the results for the 9-month period of 2023 were largely on target, even if they fell slightly short of expectations due to the environmental factors. At the same time, they are in line with full-year expectations. The price adjustments implemented

were well accepted by customers overall and speak for the market standing of the Vita 34 Group. The number of contract renewals continues to increase, thus additionally leading to higher recurring revenues and improving cash inflow.

Despite the growth, the cost of sales was actually reduced in the first nine months of 2023, dropping by 5.4% from EUR 37.4 million to EUR 35.3 million. The first positive effects are being felt on the cost side thanks to the scheduled implementation of integration measures and the associated savings. For example, some production processes have been consolidated in Warsaw facility. Marketing and selling expenses amounted to EUR 7.8 million in the first nine months of 2023 (previous year: EUR 7.4 million). Vita 34 is deliberately continuing its marketing and sales activities at a comparable level despite the current weaker market environment in order to benefit disproportionately strongly when the market picks up again. The sales structure was also strengthened in a targeted manner. As a result of the continued high level of cost discipline, administrative expenses increased at a disproportionately low rate to EUR 15.7 million compared to the previous year's figure of EUR 14.4 million. EBITDA for the first nine months of 2023 amounted to EUR 3.6 million (previous year: EUR –1.6 million). This represents a successful return to operating profitability at this level. EBIT for the first three quarters of 2023 stood at EUR –2.8 million, EUR 5.2 million better than the previous year's figure of EUR –8.0 million. The result for the period was EUR –5.8 million (previous year: EUR –8.1 million) and corresponds to earnings per share of EUR –0.35 for the 9-month period (previous year: EUR –0.50).

Development in the segments

In the subgroup PBKM segment, sales revenues increased by 20.3% from EUR 36.5 million to EUR 43.9 million in the 9-month period. Growth of 17.1% to EUR 16.2 million was achieved in the third quarter of 2023. Segment EBITDA amounted to EUR 4.5 million in the first nine months after EUR –2.7 million in the previous year. At EUR 5.8 million, operating cash flow was once again clearly positive after EUR –1.2 million in the same period of the previous year. EUR 1.2 million was invested in the reporting period (prior-year period: EUR 3.3 million), primarily in cryotanks, laboratory equipment and the new business areas Cell and Gene Therapies and CDMO. Accordingly, the investments in the current fiscal year 2023 are intended to focus on the most promising sub-projects and thus fewer projects will run in parallel. The first patients ("First Patient In") have been recruited for Phase I of the clinical trial of a drug candidate from the CAR-T family, the first candidate in the Cell and Gene Therapy portfolio.

In the subgroup Vita 34 segment, sales in the first nine months of 2023 fell by 5.2% from EUR 14.2 million to EUR 13.5 million. In the third quarter of 2023, sales declined by 5.3 % from EUR 4.9 million to EUR 4.6 million. The main reason for this was the persistently weak development in demand, particularly in the German market, where the number of new storages declined, not least due to the fall in the birth rate. This development was only partially offset by positive price effects. Segment EBITDA amounted to EUR –0.9 million in the first nine months of 2023 after EUR 1.1 million in the same period of the previous year. This was due in particular to the deliberate slight increase in marketing expenses and the still pending sales effects as well as cost increase effects, for example in personnel costs. Additional cost burdens resulted from the holding function of Vita 34 AG for the entire Group. Operating cash flow amounted to EUR –1.0 million in the 9-month period of 2023 after EUR –0.7 million in the same period of the previous year. Investments continued to be implemented in a very controlled manner and amounted to EUR 1.5 million (prior-year period: EUR 1.1 million).

Financial position and net assets

The noticeable improvement in earnings performance and the optimization of working capital, which was made possible by the fact that inventories returned to normal compared to the pandemic and the phase of severely strained supply chains, had a direct positive impact on cash flow development in the first nine months of 2023. Dampening effects resulted from the continued investment-related expenses for research and development and the newly emerging business areas. Cash flow from operating activities amounted to EUR 4.8 million after a slight negative figure in the same period of the previous year, an improvement of EUR 4.9 million. While the price effects on sales also had a direct impact on operating cash flow, the positive effects from the recognition of subscription contracts in accordance with IFRS 15 are not cash-effective. Cash flow from investing activities amounted to EUR -2.7 million in the first nine months of 2023, compared to EUR -4.1 million in the same period of the previous year. Investments in property, plant and equipment were the main factor here in both periods. The Vita 34 Group continues to invest prudently and primarily in the area of maintenance investments. Furthermore, additional funds were invested in the Cell and Gene Therapies (incl. CAR-T) and CDMO segments, especially for new laboratory equipment. Cash flow from financing activities fell from EUR -3.0 million to EUR -8.0 million, mainly influenced by a restructuring of Group financing in the area of bank loans. Existing loans were repaid and new loans were taken out in a significantly lower volume within a noticeably increased credit line. The newly negotiated credit line with the banks with a maximum volume of EUR 18 million gives the Vita 34 Group the necessary flexibility for financing further growth. In the course of the restructuring of the financing and the repayment of the old bank loans, liquidity fell from EUR 16.3 million as of December 31, 2022 to EUR 10.4 million

as of September 30, 2023. This is contrasted by the unused lines. In addition, EUR 1.2 million was paid to the previous minority shareholder of the shareholding in Turkey. The Vita 34 Group increased its share there to 100% after the previous minority shareholder exercised its put option in a two-stage acquisition process that began in 2021.

At EUR 149.1 million, the balance sheet total remained largely unchanged compared to the figure of EUR 151.5 million as of December 31, 2022. On the assets side of the balance sheet, non-current assets increased from EUR 110.4 million to EUR 114.7 million. This was primarily due to the higher non-current contract assets as a result of accounting in accordance with IFRS 15. At the same time, property, plant and equipment remained almost unchanged at a comparable level due to investments and depreciation. Current assets fell from EUR 41.1 million to EUR 34.3 million. The main reason for this was the decrease in cash and cash equivalents from EUR 16.3 million to EUR 10.4 million as a result of the restructuring of bank loans and the associated repayment of old loans. Equity fell in line with the result for the period from EUR 15.9 million to EUR 10.9 million. This corresponds to an equity ratio of 7.3% after 10.5%. Non-current liabilities increased from EUR 67.1 million to EUR 87.6 million. At the same time, current liabilities fell from EUR 68.5 million to EUR 50.6 million. The main reason for this was the increase in non-current contract liabilities. In addition, the corresponding potential repayment obligations were noticeably reduced thanks to the change in accounting and the restructuring of storage contracts at the subgroup PBKM. The restructuring of bank loans, which was accompanied by a decline in interest-bearing loans, also had an impact on current liabilities.

Forecast

The Vita 34 Group confirms the full-year forecast for 2023. A significant increase in Group sales and Group EBITDA versus 2022 is still expected. Group sales are forecast in the range of EUR 75 to 82 million and Group EBITDA in the range of EUR 5.5 to 7.0 million. This includes expected positive effects from accounting in accordance with IFRS 15 in the amount of EUR 5.7 million, which affect both sales and profit, but do not affect liquidity. We also see an improving cash flow from operating activities. The Management Board of Vita 34 AG assesses the general market environment as continuing to be difficult and, against the background of declining birth rates, difficult to assess.

However, due to the positive impetus from the implemented price adjustments and the optimized cost basis, it believes that the Company is well equipped to successfully overcome this difficult market phase in the coming quarters.

Furthermore, the statements in the forecast report of the combined management report for 2022 remain valid. The forecast is based on a constant exchange rate of the euro to the Polish zloty and other currencies (HUF, RON, TRY, GBP) compared to March 31, 2023.

Supplementary report

As already reported on November 10, 2023, internal investigations of Vita 34 AG revealed irregularities in one of its subsidiaries in a limited number of biological samples with regard to medical law requirements. It is not yet possible to conclusively assess at this time whether and to what extent a possible financial loss will arise. Should the risks described be fully realized, Vita 34 estimates the potential financial burden for the subsidiary in the coming years to be in the low single-digit millions.

A subsidiary of Vita 34, FamiCordTx, filed a lawsuit against a US licensor. The background is the acquisition of an exclusive license to use the CAR-T technology ("CAR-T license") from a US biotechnology company. FamiCordTx has received information that the licensor cannot grant the CAR-T license to FamiCordTx to the extent required for the project. FamiCordTx (together with PBKM, which entered into the license agreement on May 12, 2020) has therefore decided to file a lawsuit against the licensor. FamiCordTx and PBKM will take all legal steps both under the license agreement with the licensor and under applicable US law to enforce their rights, including possible claims for damages in further steps. If FamiCordTx is unable to replace the CAR-T license with an alternative technology, FamiCordTx will have to develop this technology itself, which will require additional funding and will delay the development of the CAR-T based technology.

At an Extraordinary General Meeting on November 16, 2023, the shareholders of Vita 34 AG approved the conclusion of a profit and loss transfer agreement between Vita 34 AG and Seracell Pharma GmbH in accordance with § 293 (2) AktG.

Consolidated Income Statement

EUR thousand	Q3 2023	Q3 2022	9M 2023	9M 2022
Sales revenues	20,413	18,655	56,682	50,764
Cost of sales	-11,473	-12,668	-35,321	-37,354
Gross profit on sales	8,939	5,987	21,360	13,409
Other income	224	641	1,021	2,103
Marketing and selling expenses	-2,227	-2,526	-7,755	-7,446
Administrative expenses	-5,950	-4,662	-15,652	-14,442
Other expenses	-1,075	-551	-748	-856
Impairment losses on trade and other receivables	-696	-81	-1,049	-744
Operating result (EBIT)	-89	-1,111	-2,823	-7,976
Financial income	228	798	602	1,322
Financial expenses	-1,986	-225	-3,524	-1,438
Earnings before taxes	-1,847	-538	-5,745	-8,093
Income tax expense/income	240	152	-85	34
Result for the period after taxes	-1,606	-386	-5,830	-8,058
Attribution of the result for the period to the				
Owners of the parent company	-1,617	-386	-5,553	-7,805
Minority interests	11	0	-277	-253
Earnings per share, undiluted/diluted (EUR)				
Undiluted and diluted earnings per share, relating to the result for the period attributable to holders of ordinary shares of the parent company	-0.10	-0.02	-0.35	-0.50

Consolidated Balance Sheet (Assets)

Assets

EUR thousand	Sept. 30, 2023	Dec. 31, 2022
Non-current assets		
Goodwill	39,147	39,491
Other intangible assets	17,265	18,647
Property, plant and equipment	24,611	24,433
Right-of-use assets	11,745	11,393
Shares in associated companies	418	414
Other financial assets	1,050	1,045
Other non-financial assets	1,770	1,719
Deferred tax assets	10,609	9,634
Contract assets	7,665	3,088
Trade receivables	445	580
	114,728	110,443
Current assets		
Inventories	3,317	3,891
Trade receivables	13,009	12,751
Income tax receivables	1,522	1,841
Contract assets	2,506	2,701
Other financial receivables and assets	1,743	1,943
Other non-financial receivables and assets	1,810	1,647
Cash and cash equivalents	10,415	16,290
	34,322	41,065
Total Assets	149,051	151,508

Consolidated Balance Sheet (Equity & Liabilities)

Equity & Liabilities

EUR thousand	Sept. 30, 2023	Dec. 31, 2022
Equity		
Subscribed capital	15,995	16,036
Capital reserves	26,675	36,960
Loss carryforwards	-25,646	-30,663
Other reserves	-2,020	-3,021
Treasury shares	-2,813	-2,813
Non-controlling interests	-1,300	-648
	10,891	15,852
Non-current liabilities		
Interest-bearing loans	1,517	1,724
Leasing liabilities	10,422	10,331
Deferred grants	663	723
Contract liabilities	67,215	45,892
Other provisions	386	320
Pension provisions	0	0
Deferred tax liabilities	5,596	5,126
Other financial liabilities	1,797	3,012
Other non-financial liabilities	0	0
	87,596	67,129
Current liabilities		
Trade payables	7,905	8,056
Other provisions	5	5
Income tax liabilities	207	371
Interest-bearing loans	9,934	13,779
Lease liabilities	2,601	2,357
Deferred grants	293	256
Repayment obligations	5,684	24,470
Contract liabilities	17,260	13,853
Other financial liabilities	2,257	1,778
Other non-financial liabilities	4,418	3,603
	50,563	68,527
Total Equity & Liabilities	149,051	151,508

Consolidated Cash Flow Statement

EUR thousand	9M 2023	9M 2022
Cash flow from operating activities		
Earnings for the period before taxes	-5,745	-8,093
Adjusted for:		
Depreciation and amortization	6,412	6,370
Impairments	0	1
Gains/losses on the disposal of non-current assets	173	0
Other non-cash expenses/income	1,644	-324
Financial income	-602	-1,322
Financial expenses	3,524	1,438
Changes in net working capital:		
+/- Inventories	574	-1,261
+/- Receivables and other assets	-135	-1,104
+/- Contract assets	-4,382	-619
-/+ Debts	1,370	183
-/+ Contract and repayment liabilities	5,803	6,084
-/+ Provisions	0	0
Interest paid	-3,368	-763
Income taxes paid	-435	-688
Cash flow from operating activities	4,834	-96
Cash flow from investing activities		
Purchase of intangible assets	-611	-264
Purchase of property, plant, and equipment	-2,803	-4,517
Purchase of non-current financial investments	0	-604
Proceeds from the sale of property, plant and equipment	235	0
Interest received	517	1,236
Cash flow from investing activities	-2,662	-4,148
Cash flow from financing activities		
Transaction with non-controlling shareholders	-1,230	1,311
Proceeds from taking out financial loans	13,539	11
Payments for the repayment of financial loans	-18,093	-3,342
Payments for leases	-2,204	-1,743
Proceeds from grants received	0	238
Cash flow from financing activities	-7,994	-2,995
Net changes in cash and cash equivalents	-5,821	-7,239
Cash and cash equivalents at the beginning of the reporting period	16,290	33,298
Exchange rate-related change in cash and cash equivalents	-53	-972
Cash and cash equivalents at the end of the reporting period	10,415	19,804

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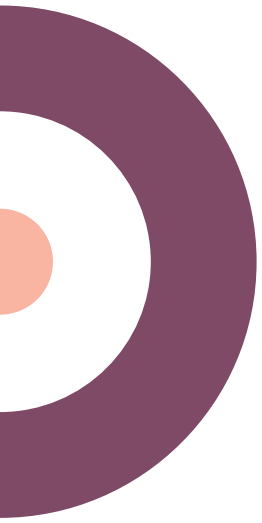
PHOTO CREDITS

Adobe Stock (Prostock-studio), Dublin

PUBLICATION

This interim report was published on November 24, 2023 in German and English and can be downloaded from our website. In case of deviations, only the German version is authoritative.

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