

**Joint report
of the Management Board of Vita 34 AG
and
the Board of Directors of Seracell Pharma GmbH
pursuant to Section 293a of the German Stock Corporation Act
on the draft profit and loss transfer agreement between the
Vita 34 AG and Seracell Pharma GmbH**

1. Introduction

Vita 34 AG with its registered office in Leipzig (hereinafter "**VITA**") and Seracell Pharma GmbH with its registered office in Rostock (hereinafter "**Seracell**") intend to conclude a profit and loss transfer agreement within the meaning of Section 291 (1) sentence 1 of the German Stock Corporation Act (hereinafter "**AktG**") (hereinafter "**Agreement**").

The agreement must be concluded in writing and requires the approval of the General Meeting of VITA and the Shareholders' Meeting of Seracell as well as entry in the Commercial Register of Seracell in order to be effective under civil law.

The Extraordinary General Meeting of VITA will be asked to approve the agreement on November 15, 2023, and the shareholders' meeting of Seracell will be asked to approve the agreement following this Extraordinary General Meeting. The agreement is then to be concluded after the approvals have been granted and filed for entry in the commercial register at the registered office of Seracell.

The Management Board of VITA and the management of Seracell jointly submit the following report in accordance with Section 293a of the German Stock Corporation Act (AktG) for the purpose of informing the shareholders and partners of the two companies.

2. Contractual parties

Parties to the contract are VITA and Seracell.

2.1 Vita 34 AG

VITA is a listed stock corporation with its registered office in Leipzig and is entered in the Commercial Register of Leipzig Local Court under HRB 20339. VITA is the parent company of the VITA Group. VITA's fiscal year corresponds to the calendar year.

VITA's statutory object is the collection, storage and distribution of cells, tissues, blood and blood components for the purpose of medical applications; the development, production, storage and distribution of products, including drugs, based on cells, tissues, blood and blood components for the purpose of medical applications, in particular also the production and manufacture of viral vectors and CAR-T cells or comparable products, including drugs;

research and development in the aforementioned fields; the development, manufacture and distribution of medical devices or comparable businesses; the resale and distribution of various diagnostic and genetic tests, as well as the provision of related or associated services related services, as well as the acquisition, holding and administration of shareholdings in Germany and abroad.

VITA's share capital amounts to EUR 16,036,459.00 and is divided into 16,036,459 no-par value shares.

2.2 Seracell Pharma GmbH

Seracell is a German limited liability company based in Rostock and registered in the Commercial Register of the Rostock Local Court under HRB 14625.

Seracell was created by way of transformation by way of change of legal form of Seracell Pharma AG, Rostock (Rostock Local Court, HRB 10619) in accordance with the resolution of the Annual General Meeting on June 13, 2019.

The fiscal year of Seracell corresponds to the calendar year. The object of Seracell as defined in the Articles of Association is research, development and production in the pharmaceutical, biotechnology and healthcare sectors, including the provision of related services and consultancy.

The share capital of Seracell amounts to EUR 126,024.00 and is divided into 126,024 shares with a nominal value of EUR 1.00 each. All shares in Seracell are held by VITA.

Seracell employs 9 people at the time of filing this report.

3. Explanation of the contract

The agreement is a profit and loss transfer agreement and therefore an intercompany agreement pursuant to Sec. 291 (1) Sentence 1 AktG.

The following should be noted regarding the individual provisions of the contract:

a. Profit transfer (§ 1)

In accordance with § 1 (1) of the agreement, Seracell undertakes to transfer its entire profit to VITA during the term of the agreement in compliance with § 301 of the German Stock Corporation Act (AktG) as amended. Subject to the formation and release of reserves in accordance with § 4 of the agreement (see below), the profit to be transferred shall be the net profit for the year without profit transfer, less any loss carried forward from the previous year. The obligation to transfer profits shall apply for the first time to the entire profit of the current fiscal year of Seracell in which the agreement becomes effective.

b. Loss absorption (§ 2)

VITA is obligated to offset any annual net loss of Seracell that otherwise arises during the term of the agreement in accordance with the provisions of Section 302 of the German Stock Corporation Act (AktG), as amended. In accordance with Section 302 (1) of the German Stock Corporation Act (AktG), as amended, the net loss for the year is to be offset only to the extent that it is not offset by withdrawing amounts from other revenue reserves that were transferred to them during the term of the agreement. All provisions of Section 302 of the German Stock Corporation Act (AktG), as amended, shall apply mutatis mutandis. This also refers in particular to the statutory waiver and settlement option with regard to the claim and to the statutory limitation provision.

The entitlement to loss compensation generally arises on the balance sheet date of the respective fiscal year of Seracell.

For the intended establishment of a consolidated tax group for corporate income tax and trade tax purposes (cf. below under 4.) between Seracell and VITA, the agreement of such loss absorption is mandatory by reference to the provisions of Section 302 of the German Stock Corporation Act (AktG) as amended (Section 17 (1) Sentence 2 No. 2 of the German Corporate Income Tax Act, hereinafter "**KStG**").

c. Preparation of the annual financial statements (§ 3)

§ Section 3 of the agreement stipulates that the annual financial statements of Seracell must be submitted to VITA for information, review and approval before they are adopted. In addition, the annual financial statements of Seracell are to be prepared and adopted before the annual financial statements of VITA.

If the fiscal year of Seracell ends at the same time as the fiscal year of VITA, the result of Seracell to be taken over shall be taken into account in the annual financial statements of VITA for the same fiscal year.

d. Creation and release of reserves (§ 4)

Seracell is entitled, with the consent of VITA, to allocate amounts from the net profit for the year to other revenue reserves (revenue reserves pursuant to Section 272 (3) Sentence 2, 3rd Variant of the German Commercial Code, hereinafter "**HGB**") only to the extent that this is permissible under commercial law and economically justified on the basis of a reasonable commercial assessment. Other revenue reserves formed during the term of the agreement pursuant to Section 272 (3) Sentence 2, 3rd Variant of the German Commercial Code (HGB) must be dissolved at the request of VITA and, pursuant to Section 302 of the German Stock Corporation Act (AktG), as amended, used to offset any net loss for the year or transferred as profit. The transfer of amounts from the reversal of capital reserves or of revenue reserves and profit carryforwards formed before this agreement took effect is excluded.

The provisions set out in § 4 of the agreement are standard provisions of a profit and loss transfer agreement.

e. Maturity and interest (§ 5)

§ Section 5 of the agreement regulates, on the one hand, the due date of the claim for profit transfer and loss compensation:

The claim for loss compensation pursuant to § 2 of the agreement is due as of the balance sheet date of the relevant fiscal year of Seracell, while the claim for transfer of profit pursuant to § 1 of the agreement is due in each case with the adoption of the annual financial statements of Seracell for the past fiscal year.

Furthermore, § 5 (3) of the agreement contains a provision on the possibility of demanding advances on an anticipated profit transfer claim.

§ Sec. 5 (4) sentence 1 of the agreement stipulates that profit transfer and loss compensation claims shall bear interest of 5% p.a. from the date on which they become due in accordance with Secs. 352, 353 HGB. Advances under Art. 5 par. 3 of the agreement are non-interest-bearing. However, insofar as it transpires that advances paid exceed the resulting actual profit transfer obligations, the excess amount paid shall be treated as an interest-bearing loan and shall bear interest from the date on which the advance was paid in accordance with § 5 (4) sentence 1 of the Agreement.

f. Effectiveness, duration and termination (§ 6)

§ Section 6 of the agreement contains provisions on the effective date, duration and termination of the agreement.

In accordance with the statutory approval requirements pursuant to Section 293 of the German Stock Corporation Act (AktG), Section 6 (1) of the agreement stipulates that the agreement requires the approval of the Annual General Meeting of VITA and the approval of the shareholders' meeting of Seracell in order to become effective.

In accordance with the statutory provision in Sec. 294 (2) AktG, Sec. 6 (2) of the Agreement clarifies that the Agreement shall only become effective upon entry in the Commercial Register of Seracell. It then applies retroactively from the beginning of the fiscal year of Seracell in which the agreement becomes effective. As a result, the obligation to transfer profits and the obligation to offset losses shall already apply for the entire fiscal year 2023 if the agreement is registered in the fiscal year 2023 running until December 31, 2023; if the agreement is only registered after the end of December 31, 2023, it shall apply for the entire subsequent fiscal year 2024.

§ Section 6 (3) of the agreement governs the term of the agreement. The contract has a fixed minimum term of five time years from the beginning of its effectiveness, i.e., from entry in the

commercial register of Seracell. The contract continues thereafter for an indefinite period, unless it is terminated in writing by one of the contracting parties with a notice period of six months in compliance with the aforementioned minimum contract period of five time years.

In the event that the end of the term does not fall at the end of a fiscal year of Seracell, the agreement provides for the term to be extended until the end of the then current fiscal year of Seracell. In order for the intended consolidated tax group for corporate income tax and trade tax purposes to be effective, the agreement must be concluded for a period of at least five years from the effective date of the agreement in accordance with section 14 (1) sentence 1 no. 3 in conjunction with section 17 (1) of the Körperschaftsteuergesetz (KStG - German Corporation Tax Act) and must actually be implemented during its entire term.

§ Section 6 (4) of the contract clarifies that the contract may be terminated at any time with immediate effect for good cause. Such good cause exists in particular if VITA loses the majority of voting rights in Seracell as well as in the event of conversion, merger, demerger or liquidation of VITA or Seracell. Pursuant to Section 6 (4) of the agreement, however, other reasons that may lead to the discontinuation of the consolidated tax group between VITA and Seracell for corporate income tax and trade tax purposes in accordance with the currently valid version of the KStG also constitute grounds for termination. The important reasons listed above are not exhaustive.

§ Section 6 (5) of the agreement stipulates that termination must be in writing.

If the contract ends, Section 6 (6) of the contract stipulates that VITA must provide security to Seracell's creditors in accordance with Section 303 of the German Stock Corporation Act (AktG) if the latter demand it. Pursuant to Section 303 of the German Stock Corporation Act (AktG), the obligation to provide security exists vis-à-vis such creditors whose claims have been established before the entry of the termination of the contract in the commercial register pursuant to Section 10 of the German Commercial Code (HGB) has been announced, if the creditors contact VITA for this purpose within six months of the announcement of the entry. The right to demand the provision of security shall not be available to creditors who, in the event of insolvency proceedings, have a right to preferential satisfaction from a cover pool established for their protection in accordance with statutory provisions and supervised by the state. Instead of providing security, VITA may guarantee the claim, whereby Section 349 of the German Commercial Code (HGB) on the exclusion of the plea of anticipatory action shall not apply in this case.

g. Final provisions (§ 7)

§ Section 7 of the contract contains a written form requirement for amendments and supplements to the contract. In addition, § 7 of the contract contains a customary, so-called severability clause, according to which, in the event of the invalidity or unenforceability of individual provisions of the contract or loopholes in the contract, the validity of the rest of the contract shall not be affected. In such a case, the parties undertake to replace the invalid or unenforceable provision with the valid and enforceable provision that comes closest in economic terms to the invalid or unenforceable provision or, in the case of a gap provision, to

agree on the legally valid provision that they would have agreed on according to their economic intention if they had considered this point.

4. presentation of the legal and economic reasons for the conclusion of the profit and loss transfer agreement

The agreement is a necessary prerequisite for the establishment of a consolidated tax group for corporate income tax and trade tax purposes between VITA and Seracell. As a result of such a consolidated tax group for corporate income tax and trade tax purposes, the profits and losses of Seracell are allocated directly to VITA as the controlling company for tax purposes, so that any profits of one company are offset against any losses of the other (consolidation of results). In addition, in the case of a consolidated tax group for corporate income tax and trade tax purposes, any profit transfers from Seracell to VITA are not treated as at least partially taxable dividend distributions, which are subject to capital gains tax, although this is generally refundable. Depending on the earnings situation of the companies involved, this may lead to tax advantages.

There is no economically viable alternative to the conclusion of the agreement between VITA and Seracell with which the objectives described above could be achieved equally or better. In particular, due to the mandatory requirements of the German Corporate Income Tax Act (KStG), the desired tax group for corporate income tax and trade tax purposes cannot be achieved by concluding another intercompany agreement within the meaning of Section 292 of the German Stock Corporation Act (AktG). A merger of Seracell into VITA is also out of the question as an alternative, since a loss of Seracell's legal independence is not desired.

For Seracell, the agreement results in advantages due to the associated financial security, as VITA must compensate for any losses incurred by Seracell during the term of the agreement. From the point of view of the shareholders of VITA, there are no particular consequences arising from the agreement apart from the described obligation to assume losses; in particular, no compensation is owed to or compensation for outside shareholders, as VITA is the sole shareholder of Seracell.

5. No compensation and no settlement, no contract review

As VITA is the sole direct shareholder of Seracell and consequently there are no outside shareholders of Seracell, provisions on compensation and settlement for outside shareholders pursuant to sections 304, 305 AktG are not required in the agreement. For this reason, there is also no need for an audit of the agreement pursuant to Sec. 293b (1) AktG, nor is an audit report required pursuant to Sec. 293e AktG. In the absence of a compensation to be determined pursuant to Sec. 304 AktG and a settlement pursuant to Sec. 305 AktG, there is also no need for a valuation of the contracting companies to determine an appropriate compensation and an appropriate settlement.

For the reasons set out above, a summary assessment of the contract shows that it is advantageous for both VITA and Seracell.

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Vita 34 AG

The Management Board

Jakub Baran

Dirk Plaga

Tomasz Baran

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Seracell Pharma GmbH

The Board of Directors

Andreas Schafhirt

Georg Maria Steinbacher
