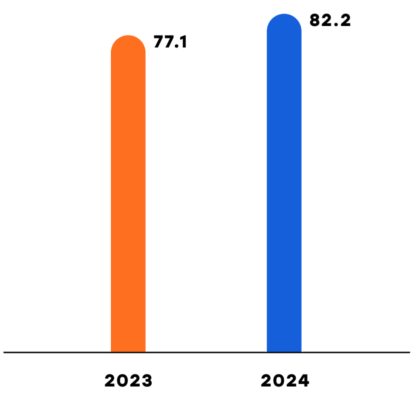
FamiCord
MORE THAN A STEM CELL BANK

ANNUAL REPORT
2024

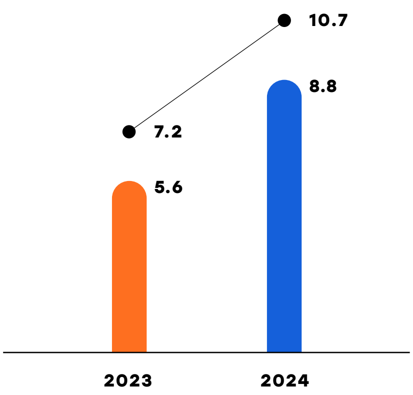
KEY FINANCIAL FIGURES

		01/01/2024 – 12/31/2024	01/01/2023 – 12/31/2023
Income Statement			
Sales revenue	EUR thousand	82,184	77,062
Gross profit	EUR thousand	20,654	28,244
EBITDA	EUR thousand	8,815	5,569
EBITDA margin as a percentage of sales	%	10.7	7.2
Operating result (EBIT)	EUR thousand	-9,258	–3,120
Net result for the period	EUR thousand	–12,299	–2,033
Earnings per share	EUR	–0.70	–0.12
Balance sheet		**12/31/2024**	12/31/2023
Balance sheet total	EUR thousand	152,737	159,445
Equity	EUR thousand	12,907	23,864
Equity ratio	%	8.5	15.0
Liquid funds	EUR thousand	16,823	17,416
Cash flow		**01/01/2024 – 12/31/2024**	01/01/2023 – 12/31/2023
Cash flow from investing activities	EUR thousand	–3,080	–3,574
Depreciation and amortization	EUR thousand	17,375	8,690
Cash flow from operating activities	EUR thousand	8,655	9,154
Employees		**12/31/2024**	12/31/2023
At the reporting date	Number	771	745

Sales revenue in EUR million



EBITDA in EUR million
EBITDA margin as a percentage of sales in %



FAMICORD – ABOUT US

FamiCord (formerly Vita 34) was founded in Leipzig in 1997 and today is by far the largest cell bank in Europe and the third largest worldwide. As the first private umbilical cord blood bank in Europe and a pioneer in cell banking, the company has since offered the collection logistics, processing and storage of stem cells from umbilical cord blood, umbilical cord tissue and other postnatal tissues as a full-service provider for cryopreservation. The donor's own cells are a valuable starting material for medical cell therapy and are kept alive in the vapor of liquid nitrogen. Customers from approximately 50 countries have already taken steps to safeguard their families' health by storing over one million units of biological material with FamiCord. Furthermore, the Company is active in the areas of Cell & Gene therapies and CDMO.

PLACENTA BANKING – NEW APPROACHES IN STEM CELL RESEARCH

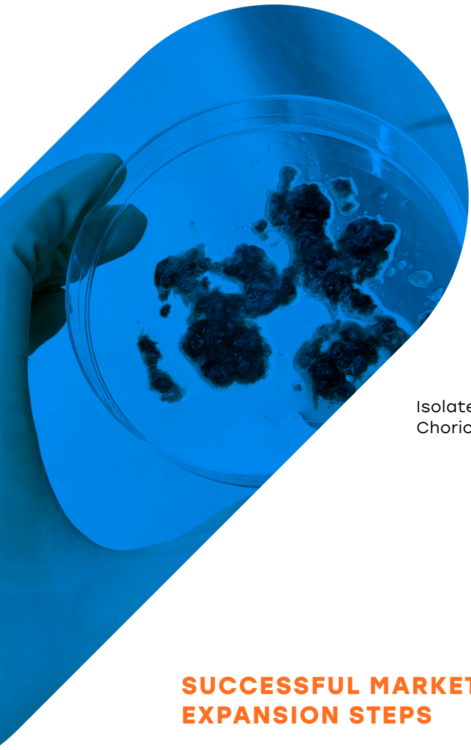
PLACENTA BANKING – OUR LATEST OPTION IN STEM CELL TECHNOLOGY

FamiCord has always been committed to developing and providing advanced approaches in the field of personalized medicine. With the introduction of placenta banking in 2024, we have once again demonstrated our innovative strength and offer our customers in selected markets the option of pursuing new approaches in stem cell research.

The placenta is a unique organ that plays a crucial role during pregnancy. However, its potential extends far beyond birth. It is a rich source of mesenchymal stem cells (MSCs) derived from the chorionic villi. These cells are considered a key resource for regenerative medicine and could revolutionize a variety of therapies in the future. As part of placenta banking, this valuable tissue is prepared, cryopreserved and made available for future autologous or allogeneic cell therapies. FamiCord thus offers its customers an incomparable new opportunity to safeguard the long-term health of their family.


A gift
of love.


A gift
of health.



Isolated
Chorionic Villi

SUCCESSFUL MARKET ENTRY AND FIRST EXPANSION STEPS

Following the initial successful launch of placenta banking in Switzerland, FamiCord quickly entered other markets. The service was launched in Poland, the Gulf States, Romania and Italy in the course of 2024 – all regions that are showing great interest in innovative biotechnologies. The positive response in these countries confirms the need for advanced solutions such as placenta banking and motivates us to push ahead with our vision.

In 2025, FamiCord plans to launch this innovative service in other European markets such as Austria. By the end of 2026, placenta banking should be available in almost all markets in which we operate. This strategic roll-out underlines our commitment to remain a global leader in stem cell technology.

SCIENTIFIC EXCELLENCE AND FUTURE PROSPECTS

The scientific basis of placenta banking is impressive. Numerous studies have demonstrated the immense potential of mesenchymal stem cells from the placenta for innovative therapies. Researchers worldwide are convinced that these cells can make a decisive contribution to developing new treatment methods for diseases that were previously difficult to treat. With our offer, we enable families to gain early access to this promising resource.

Furthermore, placenta banking not only offers medical benefits, but also economic flexibility. As an add-on option to the existing service, it increases the overall value of our services and at the same time creates new opportunities for personalized therapies.

OUR MISSION: SECURING HEALTH THROUGH TECHNOLOGY

The launch of placenta banking is another step towards achieving our mission: to support families with personalized healthcare solutions and provide them with access to the best available technologies. As a leading provider of cell banking services, we are committed to making stem cell therapies accessible and usable worldwide.

With our decades of experience in cell preservation and processing and our network of state-of-the-art laboratories, we are ideally positioned to make this vision a reality. Our expertise ranges from the safe storage of umbilical cord blood to the production of advanced cell products for clinical applications.

2025 AND BEYOND

The coming year will be characterized by further milestones. In addition to the geographical expansion of placenta banking, we are continuously working on optimizing our processes and researching new therapeutic applications. Our aim is not only to remain the market leader in the field of cell banking, but also to actively contribute to the further development of regenerative medicine.

Looking to a future where cell therapies are an integral part of modern healthcare, FamiCord remains true to its vision: to empower people worldwide with life-changing technologies and open up the possibilities of cutting-edge treatments.

CONTENT

LETTER FROM THE MANAGEMENT BOARD

DEAR SHAREHOLDERS,

This year marks a milestone for our company as we proudly present our first annual report under our new name: FamiCord. With this rebranding, we are putting our strongest international identity at the forefront, aligning our image with our ambitions for growth and innovation. While the trusted Vita 34 brand will continue to serve our end customers in DACH region, FamiCord now acts as a unifying umbrella brand across more than 30 markets, clearly signalling our leadership in family-oriented stem cell banking.

We are pleased to report that 2024 was another year of progress and positive momentum. Not only did we achieve a 6.6% year-on-year revenue increase to EUR 82.2 million, but we also saw accelerated growth of 7.6% in the fourth quarter alone – a strong validation of our strategic focus on marketing and sales. This reflects several consecutive quarters of steady growth, even in the face of macroeconomic and demographic challenges.

Despite a declining birth rate in most of European markets, we succeeded in stabilizing our performance and expanding our market share. Some of our important markets, particularly Poland, Spain and the GCC region, performed well. Demand remained pretty dynamic in Romania, Hungary and Turkey, and although Italy underperformed slightly, we remain confident about its medium-term potential. Germany and Portugal are still lagging behind our expectations, where our efforts in sales and marketing are not brining expected results yet.

Our EBITDA rose 58.3% to EUR 8.8 million, thanks in part to a one-off licensing agreement. However, more importantly, we also saw underlying profitability grow steadily. In the fourth quarter in particular, when EBITDA rose disproportionately strongly in relation to revenue, we demonstrated our high operational resilience.

On the product side, we made exciting strides with the successful roll-out of placenta tissue banking. Based on strong initial market reception, this offering is now available in Switzerland, Poland, Romania, the GCC, and Italy, with a full launch across most markets expected by the end of 2026. This innovation not only sets us apart from competitors but also strengthens our margins and opens new avenues for customer engagement.

We are also encouraged by the rising number of customers choosing to prolong their storage contracts, reflecting trust in our services and confidence in the long-term value of regenerative medicine. Our partnerships in the cell therapy area continue to expand, further positioning FamiCord as a trusted healthcare partner for families and medical institutions alike. In

Members of the Management Board from left to right: Thomas Pfaadt, Jakub Baran and Tomasz Baran

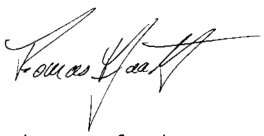
future, we therefore intend to focus in particular on the areas of application for cryopreserved stem cells, the stem cell therapies. We will strengthen our cooperation with universities and research institutions in order to drive this forward. For this reason, our Management Board colleague Tomasz Baran will take over the newly created position of Chief Medical Officer at the end of April. We are certain that, with his many years of experience, he is the ideal specialist for this complex area of responsibility, and we expect this to provide numerous positive impulses for the industry. We will be filling the position of Chief Commercial Officer, which Tomasz previously held, in the coming months.

Looking ahead, we see increasingly improving conditions in Europe, including tentative but hopeful signs of progress toward peace in Ukraine – a development that would bolster regional stability and economic growth. Against this backdrop, we are optimistic about the year ahead and expect continued demand in our core markets, with further growth in 2025.

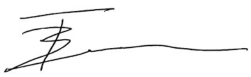
We are truly grateful to our dedicated employees, whose commitment has powered this progress. We also thank our customers, partners, and shareholders for their continued trust. Together, we are building a stronger, more resilient FamiCord that is ready to lead in the next era of family healthcare.

Leipzig, April 2025
The Management Board of FamiCord AG

Jakub Baran
Chief Executive Officer



Thomas Pfaadt
Chief Financial Officer



Tomasz Baran
Chief Medical Officer

SUPERVISORY BOARD REPORT

DEAR SHAREHOLDERS,

In the reporting year 2024, the Supervisory Board performed the duties incumbent upon it in accordance with the law, the articles of association and the rules of procedure. The Supervisory Board constantly monitored the work of the Management Board and provided advice. This was based on the written and verbal reports submitted by the Management Board, the information provided by the Management Board at Supervisory Board meetings and regular consultations between the Management Board and the Chairman of the Supervisory Board. Between the regular Supervisory Board meetings, the Chairman of the Supervisory Board regularly exchanged information with the Management Board in order to ensure a comprehensive exchange of information between the boards. Within the Supervisory Board, the Chairman of the Supervisory Board also regularly exchanged information with members of the Supervisory Board on current company issues.

The Supervisory Board was informed about the intended business policy, strategy, corporate planning, the risk situation and risk management, compliance, the current development of the business situation and significant business transactions as well as the situation of the company and the Group as a whole.

The Supervisory Board held six Supervisory Board meetings in the fiscal year 2024. Three of these meetings were held in hybrid form with an option for connection via video conference, while the other meetings of the Supervisory Board were held as video conferences. At regular intervals, the Management Board provided the Supervisory Board with comprehensive information on the economic and financial development of the company, including the risk situation, at the Supervisory Board meetings and provided additional information on request.

Konrad Miterski was unable to attend one Supervisory Board meeting due to scheduling conflicts. The other members of the Supervisory Board attended all six Supervisory Board meetings. In accordance with the recommendations of the German Corporate Governance Code, the Supervisory Board also met regularly without the Management Board.

The Supervisory Board had two permanent committees in the reporting year. The committees are responsible primarily for preparing the decisions to be taken by. The Audit Committee held five meetings in the fiscal year 2024. Three of these meetings were held as video conference while the other two meetings were held in hybrid form with an option for connection via video conference. In the fiscal year 2024, the Personnel and Remuneration Committee held one ad-hoc meeting. In addition to adopting two resolutions without convening formal in-person or video conference meetings, the Committee also engaged in informal discussions.

CHANGES TO THE SUPERVISORY BOARD

The Supervisory Board member Dr. Alexander Granderath resigned from the Supervisory Board prior to the Annual General Meeting with effect from the end of the Annual General Meeting on June 28, 2024. Therefore, a new member of the Supervisory Board had to be elected. It was resolved to appoint Dr. Peter Greiner for a period from the end of the Annual General Meeting on June 28, 2024, until the end of the Annual General Meeting that resolves on the discharge for the fiscal year 2026.

Due to the fact that Dr. Alexander Granderath was serving the position of the Chairman of the Supervisory Board and the position of the member of the Personnel and Remuneration Committee, it was necessary to conduct election for vacant positions. Florian Schuhbauer who was serving the position of the Vice Chairman of the Supervisory Board resigned from his position and was elected as the new Chairman of the Supervisory Board. Dr. Peter Greiner was appointed as the new Vice Chairman of the Supervisory Board and as the new member of the Personnel and Remuneration Committee.

CONFLICTS OF INTEREST

During the reporting period, the Supervisory Board was not informed by its members of any circumstances that could give rise to a significant and not merely temporary conflict of interest.

TRAINING AND FURTHER EDUCATION MEASURES

The company did not offer any training course for the members of the Supervisory Board during fiscal year 2024.

FOCUS OF THE SUPERVISORY BOARD'S DELIBERATIONS

In addition to overarching topics, the Supervisory Board dealt with issues relating to individual areas and, where necessary, passed the necessary resolutions. The Supervisory Board meetings in the reporting year focused on the following:

- Annual and Consolidated Financial Statements for the fiscal year 2023 as well as Declaration of Conformity, Remuneration Report and Dependency Report;
- Adoption of Supervisory Board report;
- Economic development of the Group in the fiscal year 2024;
- Planning of the annual budget of FamiCord Group for the fiscal year 2024;
- Management Board matters concerning no-attribution of Virtual Share Options for 2023 and attribution for 2024 for Management Board members; determination and weighting of performance indicators for the Short Term Incentive bonus 2024 for Jakub Baran (CEO) and Tomasz Baran (CCO) as well as for 2025 for Management Board members; amendment of the Rules of Procedure of the Management Board; appointment of Thomas Pfaadt as a member of the Management Board at FamiCord AG and Chief Financial Officer of FamiCord AG; dismissal of Andreas Schafhirt as a proxy and appointment of Jean Bouvain as a proxy; approval of employment-related adjustments for Thomas Pfaadt;
- Changes in the Supervisory Board and the Personnel and Remuneration Committee;
- Proposed resolutions for the ordinary virtual Annual General Meeting 2024 including the proposals for the candidate for elections to the Supervisory Board;
- Business planning of the Management Board for the fiscal year 2025;
- Management of the subsidiaries of the FamiCord Group;
- Approval of the conclusion of termination agreement and know-how licensing agreement between FamiCordTx S.A./Polski Bank Komórek Macierzystych sp. z o. o. and iCell Gene Therapeutics Inc.;
- Termination of consulting agreement with Dr. Wolfgang Knirsch;

CORPORATE GOVERNANCE

The Supervisory Board dealt with the corporate governance standards practised in the company and the implementation of the recommendations and suggestions of the German Corporate Governance Code as amended on April 28, 2022. On April 29, 2025, the Management Board and Supervisory Board issued a Declaration of Conformity, which is published on the company's website in the "Investor Relations" section.

ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS, AUDIT

The annual financial statements of FamiCord AG are prepared in accordance with the provisions of the German Commercial Code (HGB), the consolidated financial statements and the combined management report of FamiCord AG are prepared on the basis of Secs. 315, 315a HGB in conjunction with the International Financial Reporting Standards (IFRS), as applicable in the European Union. The auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (Berlin branch), audited the annual financial statements of FamiCord AG, the consolidated financial statements and the combined management report. The audit engagement was issued in accordance with the resolution of the Annual General Meeting, the legal requirements and the requirements of the GCGC.

As a result, it should be noted that the rules of the HGB and IFRS were complied with in the preparation of the financial statements. The annual and consolidated financial statements each received unqualified audit opinions. The financial statement documents were discussed in detail at the year closing related meeting of the Supervisory Board on April 29, 2025, in the presence of and following a report by the auditor. At this meeting, the auditor's representatives reported on the key findings of their audit and on the control and risk management system with regard to accounting. They also discussed the scope, focus and costs of the audit. They also stated that there were no grounds for bias; PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft exclusively provided auditing services.

The Supervisory Board has examined the annual financial statements, the consolidated financial statements and the combined management report. As a result of own examination, there were no objections to the annual financial statements of FamiCord AG, the consolidated financial statements of FamiCord AG, the combined management report and the corresponding audit reports of the auditor. Following its own examination, the Supervisory Board approved the results of the audit, adopted the annual financial statements of FamiCord AG prepared by the Management Board and approved the consolidated financial statements at its meeting on April 30, 2025. The Supervisory Board agrees with the combined management report and, in particular, the assessment of the further development of the Company.

FamiCord AG prepared a Dependency Report for fiscal year 2024 in accordance with Section 312 AktG. The Dependency Report was also audited by the auditor appointed by the Annual General Meeting (PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Berlin branch) in accordance with Section 313 (1) AktG. A separate written report was submitted on the results of the audit. At the year closing related meeting on April 29, 2025, the auditor also reported on the results of this audit and confirmed that the factual information in the Dependency Report is correct. As there were no objections to the Management Board's report, the audit certificate was issued in accordance with Section 313 (3) AktG.

The Dependency Report was submitted to the Supervisory Board for review in good time before the year closing related meeting on April 29, 2025, in accordance with Section 314 AktG. The Supervisory Board examined the Dependency Report in detail at its meeting. The Supervisory Board determined that, based on the final results of its review, there were no objections to the declaration by the Management Board at the end of the report on relationships with affiliated companies and approved the Dependency Report at its meeting on April 30, 2025.

AUDITOR'S REPORT

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft issued the following unqualified audit opinion on the Dependency Report in accordance with Art. 313 par. 3 of the German Stock Corporation Act (AktG):

In accordance with our engagement, we have audited the report of the Management Board pursuant to Section 312 AktG on relationships with affiliated companies pursuant to Section 313 AktG for the fiscal year 2024. As the final results of our audit do not give rise to any objections, we issue the following auditor's report in accordance with Section 313 (3) sentence 1 AktG:

Following our dutiful audit and assessment, we confirm that

1. the actual information in the report is correct,

2. the consideration paid by the company for the legal transactions listed in the report was not unreasonably high or that disadvantages were compensated.

Berlin, April 30, 2025
PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Susanne Riedel Certified Public Auditor	Dr. Kay Lubitzsch Certified Public Auditor

The Supervisory Board would like to thank the Management Board and the employees for their work during the financial year.

April 30, 2025
For the Supervisory Board

Florian Schuhbauer
Chairman of the Supervisory Board

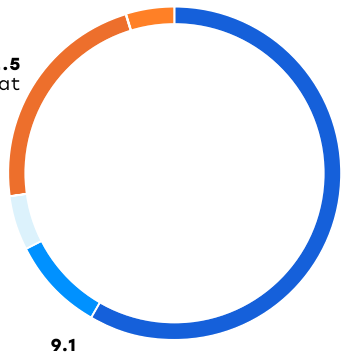
FAMICORD AG SHARES

Key share figures 2024

Ticker symbol/Reuters symbol	V3V / V3VGn.DE
Securities identification number/ISIN	A0BL84/DE000A0BL849
Initial quotation	March 27, 2007
Market segment	Prime Standard
Indices	CDAX, Prime All Share, Technology All Share, DAXsubsector Biotechnology, DAXsubsector Pharma & Healthcare
Price on 01/02/2024*	EUR 5.18
Price on 12/30/2024*	EUR 4.12
Highest/lowest price	EUR 5.38 / EUR 3.96
Number of shares	17,640,104
Freefloat on 12/30/2024	22.5%
Market capitalization on 12/30/2024	EUR 72.7 million
Designated Sponsor	Hauck Aufhäuser Lampe Privatbank AG

* Closing prices Xetra trading system of Deutsche Borse AG

Shareholder structure as of December 31, 2024 in %



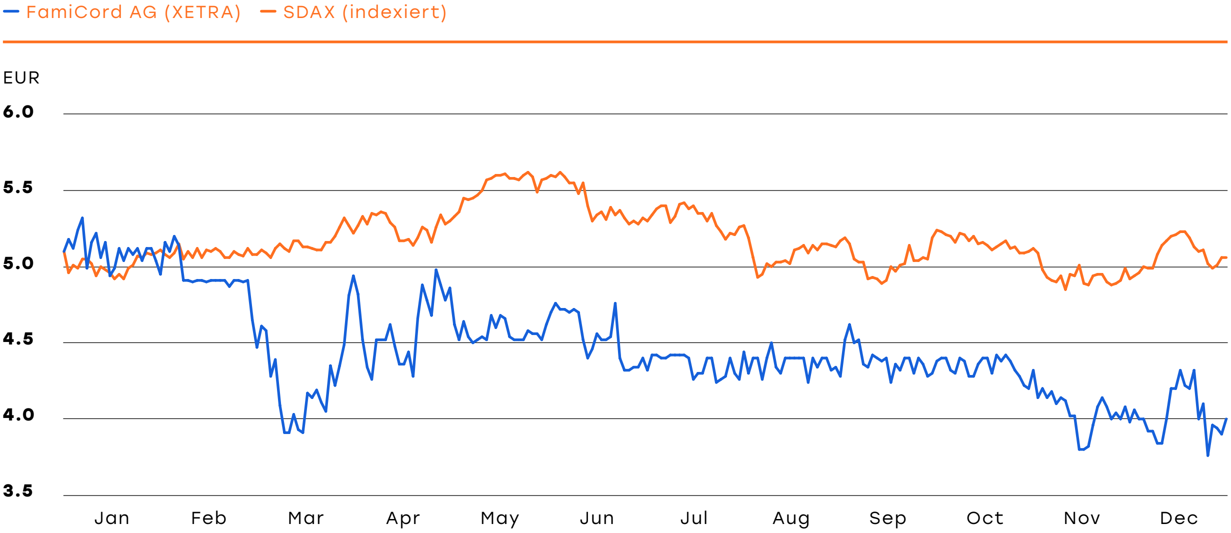
* The members of the Management Board hold the following numbers of shares: Jakub Baran 628,153 and Tomasz Baran 122,800.
** The Chairman of the Supervisory Board, Florian Schuhbauer, is a shareholder of AOC Health GmbH.

2024 was another good year for stock investors. Apart from a weak phase in August, the most important stock indices rose relatively continuously over the course of the year. The German leading index DAX 40 reached a total of 31 record highs over the course of the year, including the milestone of exceeding the 20,000-point mark.

The positive investor sentiment is all the more remarkable given the ongoing geopolitical tensions, the continued high interest rate levels compared to previous years and the still high inflation in many economies. However, a closer look at the stock market shows that it was mainly large-cap and technology stocks that drove the stock market rally. Smaller stocks, especially those with low average daily trading volume, were unable to benefit to the same extent from the positive stock market sentiment. The MSCI World rose by 20.0% to 3,814 points in 2024. The German DAX 40 performed similarly positively, with an increase of 18.8% to 19,909 points, while the American Dow Jones only achieved a plus of 12.9% to 42,544 points. The SDAX, the index for smaller companies, was a particularly clear reflection of investors' reluctance towards small caps. The index ended the year at 13,711 points, a loss of 1.8%.

The FamiCord share was also unable to escape the negative sentiment towards small caps described above. Despite a good overall operating performance, interest in the share among private and institutional investors was limited. After reaching a year-high of EUR 5.32 at the beginning of January, the price fell during the rest of the year to a year-low of EUR 3.76 in mid-December. The year-end price of EUR 4.00 was thus 23.7% below the previous year's figure.

Share price development 2024 of FamiCord AG shares compared to the SDAX



In 2024, the share was also analyzed by the independent research firm Montega as part of its equity research. Analyst Tim Kruse followed the company's development as part of a fee-based research mandate and continuously evaluated the share in the form of three study updates.

Institution	Analyst	Recommen-dation	Target price
Montega	Tim Kruse	Buy	EUR 6.30

Status: December 31, 2024

The company's Annual General Meeting took place on June 28, 2024, again in virtual form without the physical presence of shareholders in Berlin.

At the time of voting, 75.9% (2023: 60.1%) of the company's share capital of EUR 17,640,104.00 was represented, and thus significantly more than in the previous year. The resolutions included the annual resolutions on the appropriation of the balance sheet profit, the discharge of the Management Board and Supervisory Board, the election of the auditor and the approval of the remuneration report. In addition, two amendments to the Articles of Association to reflect changes in legal requirements, the creation of new authorized capital, the authorization to issue convertible bonds or bonds with warrants, and the change of the company's name were approved. All agenda items were approved by a large majority.

No capital measures were carried out in fiscal year 2024. The number of outstanding shares was therefore unchanged from the end of the previous year at 17,640,104.

After the end of the fiscal year 2024, Vita 34 AG was renamed FamiCord AG with effect from January 31, 2025. The securities identification number, ticker symbols and stock exchange abbreviations remained unchanged following the change of name. The company decided to take this step in order to ensure the seamless availability of historical stock market prices.

COMBINED MANAGEMENT REPORT

COMBINED MANAGEMENT REPORT

for the fiscal year 2024 of FamiCord AG, Leipzig

Preliminary Remark

FamiCord AG, Leipzig, is the parent company of the FamiCord Group and is also referred to accordingly below. The Group parent company and the Group operated under the name Vita 34 AG until January 31, 2025, and operate under the name FamiCord AG since January 31, 2025, after the company was renamed accordingly on the basis of the resolution passed by the Annual General Meeting on June 28, 2024. The "FamiCord Group" (hereinafter "FamiCord" or "FamiCord Group") was formed effective November 8, 2021 from the merger of the former Vita 34 AG and its subsidiaries (hereinafter "subgroup Vita 34") and Polski Bank Komórek Macierzystych Sp. z o.o., Poland, and its subsidiaries (hereinafter "subgroup PBKM") and comprises the business activities of these two subgroups, divided into the two corporate segments "subgroup Vita 34" and "subgroup PBKM". The subgroup Vita 34 comprises the business activities of the direct subsidiaries of FamiCord AG with the exception of the subgroup PBKM. If the following refers exclusively to the interests of the parent company or one of the subsidiaries, this is explicitly stated.

Fundamentals of the Company and the Group

This combined management report reports on the business development of FamiCord AG ("the Company"), Leipzig, and the Group ("FamiCord" or "FamiCord Group") for the fiscal year from January 1 to December 31, 2024. The Company prepares its financial statements in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). The Group prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union pursuant to § 315e HGB. The composition of the consolidated group is listed in the notes to the consolidated financial statements under Note 4 "Composition of the Group".

BUSINESS MODEL

The **core business** of FamiCord AG and the Group is the collection, preparation and storage of stem cells from umbilical cord blood and tissue, as well as other postnatal tissues. Stored samples can be released for the therapy if needed. Alternatively, stored tissue could be a source material for production on ATMP (Advanced Therapy Medicinal Product). The FamiCord Group is a leading cell bank in Europe with more than one million stem cell deposits. In addition, the FamiCord Group has a complementary range of services and innovative business areas such as the production and development of drugs for advanced therapies (which belong to the category of so-called cell and gene therapies) for third parties. As of December 31, 2024, the Group is internationally active with 771 employees with a focus on Europe (and a presence in the Middle East and Hong Kong) and stores umbilical cord blood and other postnatal tissues from around 50 countries.

Medical potential. The first transplantation of stem cells from umbilical cord blood took place in 1988. Since then, more than 60,000 umbilical cord bloods have been used therapeutically in patients in the Western world. Worldwide, more than 800,000 umbilical cord blood units are now stored in public cord blood banks and more than six million are available in private cord blood banks.[1]

Today, according to Cord Blood Association, the use of stem cells is still primarily associated with the already established treatment of diseases of the hematopoietic system and immune system, such as leukemia or lymphoma. While this is the main application of umbilical cord blood from public banks, the applications of private storages have clearly shifted to the field of regenerative medicine in recent years. Initial successes are currently being recorded in clinical studies in the treatment of cerebral palsy and autism, as shown by the publication of study results from the USA and other countries. The increasing use of stem cells in clinical practice and the inclusion of stem cells from umbilical cord blood and other postnatal tissues in medical guidelines for the treatment of cerebral palsy or autoimmune diseases, for example, can also be observed.[2,3]

FamiCord also wants to participate in the increasing use of various cells in the treatment of diseases and make an important contribution to this. This is done by supporting the use of stem cells in clinical applications. By expanding its business activities in the Contract Development & Manufacturing Organization (CDMO) segment, FamiCord intends to strengthen its perception as an important partner in the field of Cell & Gene therapies.

Cooperation with maternity clinics and gynecologists. In order to collect the youngest and most vital stem cells immediately after birth, FamiCord works together with numerous maternity facilities in Europe, the Middle East and Hong Kong. The company regularly trains clinic personnel with regard to the professional collection of umbilical cord blood and tissue, as well as related obligations in accordance with legal requirements in order to ensure the highest possible process quality.

Storage process for further release. After collection in one of the partner clinics, the biological material is transported as quickly as possible to one of the national or international FamiCord laboratory locations according to documented specifications. There it is processed, tested, cryopreserved and stored on the basis of the corresponding manufacturer's licenses. The stem cells from umbilical cord blood and other postnatal tissues are thus preserved for therapeutic applications for many decades. Storage gives parents access to current and future stem cell therapy for their child and, if applicable, their family members.

Quality assurance. FamiCord stands for compliance with the highest industry standards set by local and international bodies. FamiCord is able to set and maintain these standards through consistent quality assurance and a continuous improvement process. To this end, FamiCord has the necessary certifications for the collection, processing, cryopreservation and storage of umbilical cord blood and tissue.

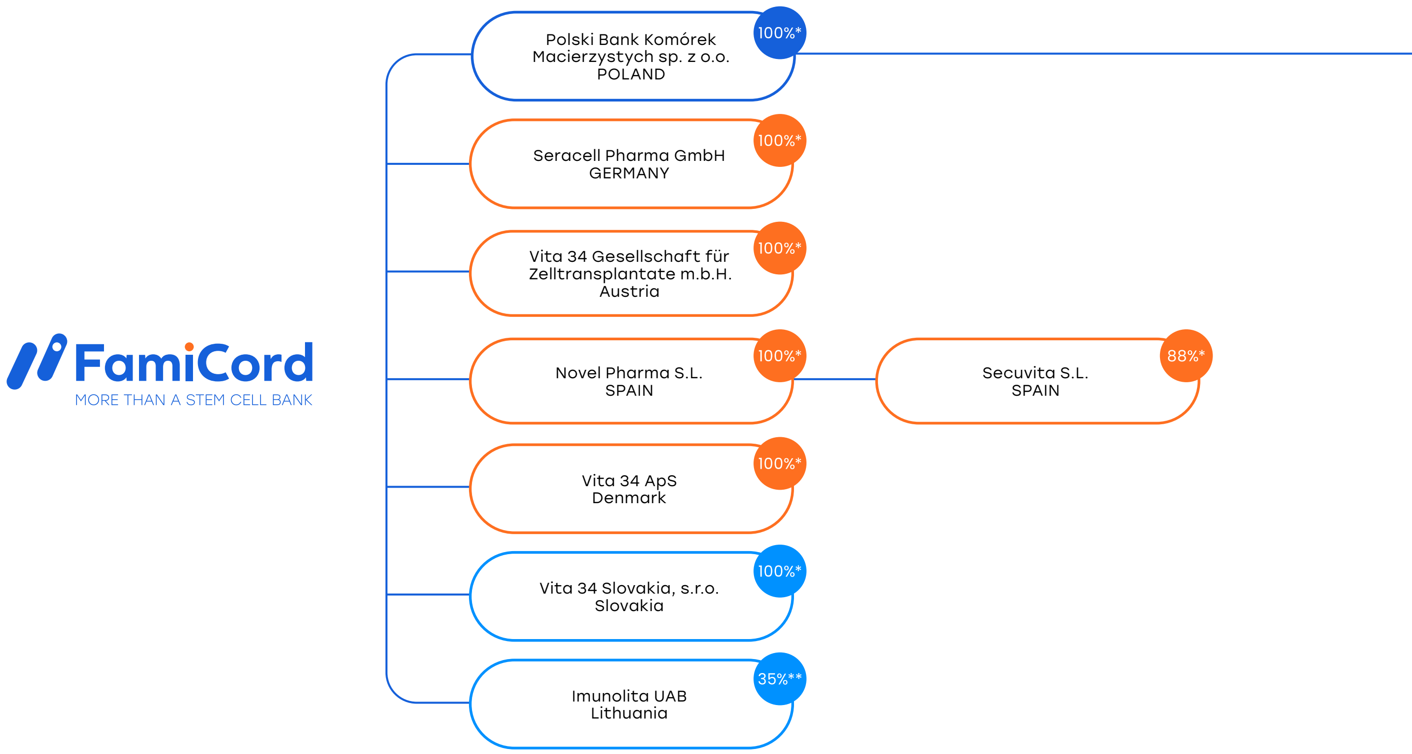
The Group's main areas of activity remain primarily the collection, processing, cryopreservation and storage of umbilical cord blood, umbilical cord tissue and, since 2024, placenta. In 2025, FamiCord is planning to introduce placenta banking in other markets for example Austria. Other activities mentioned are also expected to play a greater role in the medium to long term.

COMPREHENSIVE PRODUCT PORTFOLIO

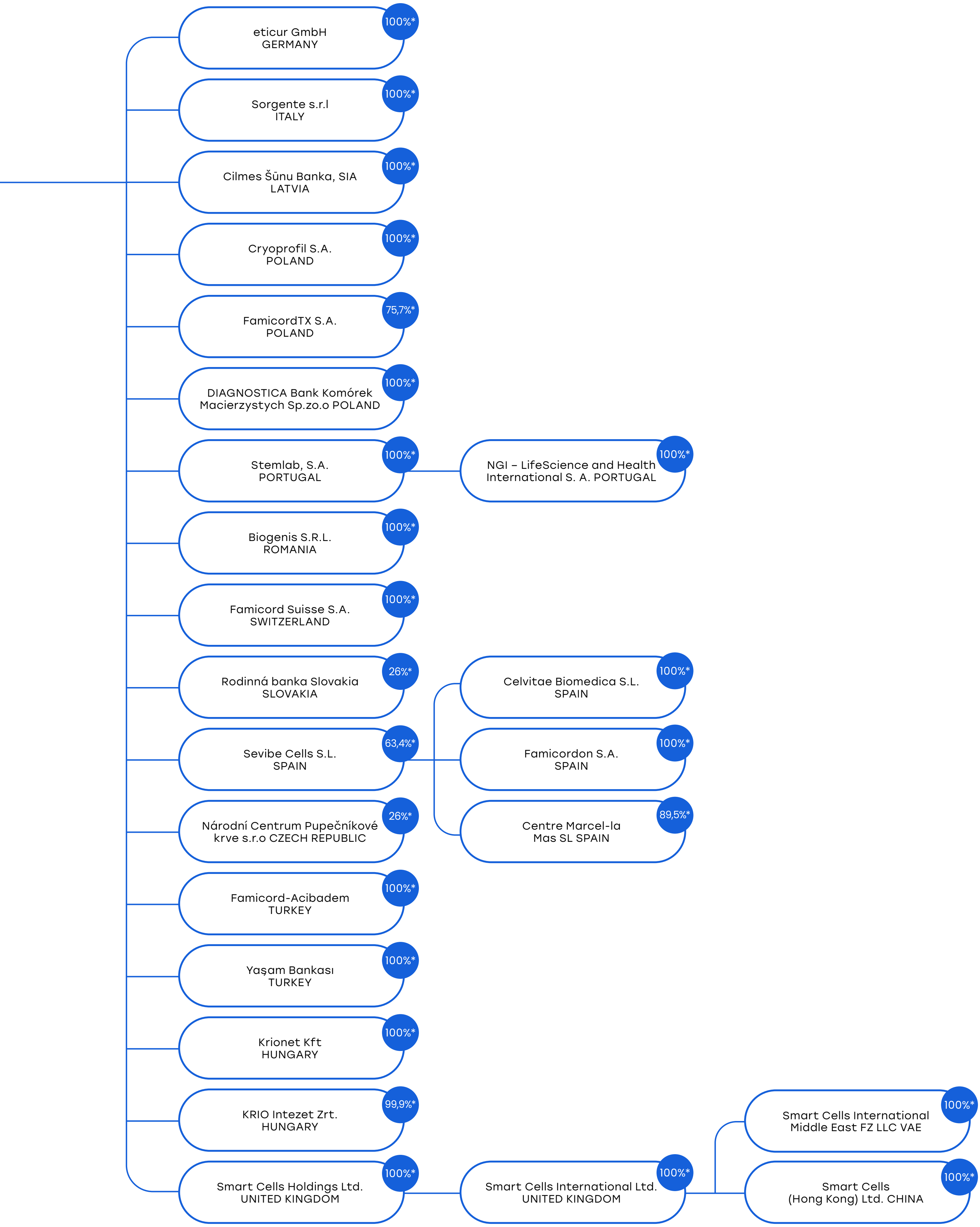
As a result of the merger of the present-day subgroups Vita 34 and PBKM, the FamiCord Group has a very broad portfolio of cell-oriented service offerings. In addition to the storage of umbilical cord blood alone, FamiCord also offers the storage of umbilical cord tissue, placental tissue and amnion in some countries. Umbilical cord and placenta tissue can be stored as processed tissue fragments or as isolated cells.

Other fields and activities include contract manufacturing for classic transplants or contract manufacturing of cell and gene therapies. In the first case, samples from bone marrow and/or mobilized peripheral blood stem cells are tested, processed and delivered to transplant clinics. In the second case, cell and gene drugs are produced either for individual patients or in larger batches for clinical trials.

Corporate structure and shareholdings



* full consolidation
** incl. majority of voting rights


eticur GmbH GERMANY 100%*
Sorgente s.r.l ITALY 100%*
Cilmes Šūnu Banka, SIA LATVIA 100%*
Cryoprofil S.A. POLAND 100%*
FamicordTX S.A. POLAND 75,7%*
DIAGNOSTICA Bank Komórek Macierzystych Sp.zo.o POLAND 100%*
Stemlab, S.A. PORTUGAL 100%*
NGI – LifeScience and Health International S. A. PORTUGAL 100%*
Biogenis S.R.L. ROMANIA 100%*
Famicord Suisse S.A. SWITZERLAND 100%*
Rodinná banka Slovakia SLOVAKIA 26%*
Sevibe Cells S.L. SPAIN 63,4%*
Celvitae Biomedica S.L. SPAIN 100%*
Famicordon S.A. SPAIN 100%*
Centre Marcel-la Mas SL SPAIN 89,5%*
Národní Centrum Pupečníkové krve s.r.o CZECH REPUBLIC 26%*
Famicord-Acibadem TURKEY 100%*
Yaşam Bankası TURKEY 100%*
Krionet Kft HUNGARY 100%*
KRIO Intezet Zrt. HUNGARY 99,9%*
Smart Cells Holdings Ltd. UNITED KINGDOM 100%*
Smart Cells International Ltd. UNITED KINGDOM 100%*
Smart Cells International Middle East FZ LLC VAE 100%*
Smart Cells (Hong Kong) Ltd. CHINA 100%*

CORPORATE STRUCTURE AND SHAREHOLDINGS

The publicly traded FamiCord AG is the parent company of the FamiCord Group, which is active in Europe, the Middle East and Hong Kong. In the reporting year, mergers and transfers were carried out to simplify the Group structure. For example, the Italian company FamiCord Italia S.R.L. was merged into the Italian company Sorgente s.r.l. As part of the integration and optimization projects, Instytut Terapii Komórkowych S.A. (Olsztyn, Poland) was liquidated on January 10, 2024, Smart Cells Middle East Ltd. (Dubai, United Arab Emirates) was liquidated on September 24, 2024, and simultaneously deleted from the commercial register. The remaining shares in the company Smart Cells Holdings Ltd. (London, England) were acquired in full. Comparability is not affected by these integration measures. Another measure to simplify the Group structure relates to Vita 34 Slovakia s.r.o. (Bratislava, Slovakia), which is expected to be liquidated in 2025. FamiCord does not exclude additional steps to simplify further its entire structure.

FAMICORD ON THE INTERNATIONAL MARKET

FamiCord has successfully implemented the strategy of further internationalization in recent years and currently stores umbilical cord blood and other postnatal tissues from around 50 countries. This is made possible by the network of its own companies and third-party business partners.

GOALS AND STRATEGIES

FamiCord is the pioneer of stem cell banking in Europe. In order to strengthen this position in a targeted manner, new business segments are to be developed in addition to the existing core business. The goal, particularly in the existing core business, is to expand the market penetration or gain market shares – depending on market position in a given country. The Group also intends to enter into new regional markets.

FamiCord wants to increase awareness of stem cell-based therapies and thus increase both the size of the market, and the number of services offered. For example, the Group is in the process of rolling out placenta storage offering in new countries where comparable offers are not yet available. The strategic focus in this area was further strengthened in 2024 and corresponding measures were implemented or prepared. At the same time, FamiCord wants to increase its market share in selected countries, particularly but not limited to UAE and other GCC countries, UK, Hungary, Romania and Italy. There are also several ongoing campaigns to win over as many customers as possible whose prepayment contracts are expiring for longer storage of the samples. FamiCord plans to improve the monetization of existing clients' base by offering them new products and services, for example healthcare insurance.

As for the achievement and implementation of strategic goals, FamiCord 2024 made further progress. Particularly worthy of mention is the expansion of the product range to include the introduction of placenta banking. After the first positive customer response to this new service in Switzerland, FamiCord 2024 also implemented the market launch in Poland, the GCC countries, Romania and Italy. According to its own assessment, the market position in the markets served was further maintained or expanded in the reporting year. Intensive marketing and sales efforts continued to serve this purpose in 2024. The goal achievement of this organic expansion of the market position can usually only be measured in the medium term. In addition, nationally adapted contract designs, which were increasingly implemented in several countries in 2024, supported the expansion of the company's own market position. The positive storage and revenue figures in the GCC countries underscore the successful measures in developing new international markets.

EXPANSION OF THE CORE BUSINESS

FamiCord relies on a combination of organic and inorganic growth within the scope of its corporate strategy. With the merger of the present-day subgroups PBKM and Vita 34, today's FamiCord has been able to increase its market coverage in Europe. The Group is represented in all economically attractive markets from the perspective of FamiCord, primarily in Central and Southern Europe. Exceptions to this are markets such as France and Belgium, in which special circumstances or legal restrictions de facto do not allow market entry. In the medium term, the aim is to complete the further consolidation of the European market by 2026 and achieve market leadership in the vast majority of countries in which the company operates. FamiCord's extremely strong position in the core European markets it already serves will prove to be a decisive success factor. In addition, the Group aims to develop further markets outside Europe, particularly in the GCC region.

Organic growth will be driven primarily by new business from the storage of umbilical cord blood and umbilical cord tissue. The storage of placental tissue is also expected to make a gradual contribution. In the coming years, significantly more revenues are also expected from prepayment contracts that were concluded usually 5, 10, 18, 20 or 25 years ago and are likely to be extended by customers. Current experience in this field is encouraging – on average, over 50% of these customers are prolonging the storage contracts.

INORGANIC GROWTH

An additional focus of the FamiCord growth strategy is traditionally on vertical (development of new markets) and horizontal (conclusion of additional cooperative ventures) acquisitions in Europe, which are intended to strategically strengthen the market position according to clearly defined parameters and develop additional synergies, particularly in the areas of marketing and sales, as well as production and administration. The vertical strategy for portfolio expansion involves opportunistic acquisitions along the value chain or of companies with complementary product ranges. Horizontal market expansion focuses on the selective development of certain European markets.

FamiCord has already successfully acquired and integrated a whole series of companies since 2006. In fiscal year 2021, the merger of the present-day subgroups Vita 34 and PBKM was another very significant step in the Company's history. From this position of strength, FamiCord is decisively shaping the further consolidation of the European market and is on the verge of continuing its growth outside of Europe as well.

ONGOING COST EFFICIENCY

Projects to optimize Group-wide processes were already implemented in the reporting year. The focus was on the markets in Italy, Switzerland, Spain and Poland as further cost-reduction potential was identified here in particular. Specific measures were taken here to ensure the best possible coordination of logistics, administration and laboratory and storage capacities, from which efficiency gains can be derived in the long term. Synergies were also achieved in the areas of sales, marketing and customer service. For example, some of the marketing activities of a subsidiary were bundled centrally in Leipzig, which led to savings in personnel and material expenses. Moreover, optimized resource management in the entire Group strengthens the negotiating position of FamiCord vis-à-vis suppliers. This has reduced the dependence on external service providers, and lower purchase prices have been negotiated. The goal of the Management Board is to continue to advance the orientation of the Group-wide organizational and process structure towards cost efficiency.

MANAGEMENT SYSTEM AND PERFORMANCE INDICATORS

The key financial indicators revenue and EBITDA (= earnings before interest, taxes, depreciation and amortization) and the non-financial key figure of the number of storages are the central control parameters of FamiCord AG and the FamiCord Group. The development of the control parameters with regard to defined target values is constantly monitored internally, as well as reported on a quarterly, semiannual and annual basis.

The key figures for financial corporate management of the Group are as follows:

REVENUE

Revenue represents the equivalent value of operating activities. Remuneration received for storage services to be provided over several periods is distributed over the period in which the corresponding storage is provided.

EBITDA

EBITDA is the key performance indicator of FamiCord and serves as an important measure of the Group's operating profitability.

The precise development of these performance indicators and other important key figures is explained in the chapters "Revenue and results of operations", "Financial position" and "Net assets". The other financial key figures are reported to provide a corresponding picture of the position and performance of FamiCord. However, they do not serve as a basis for management or control decisions.

The number of new storages is a key non-financial performance indicator and control parameter:

NUMBER OF NEW STORAGES

The market acceptance of the products and services of FamiCord is evaluated via the development of the number of new stem cell storages (deposits) and in particular the effect of the marketing and sales activities is measured. The number of new storages is determined on the basis of the deposits. These can consist of either one (umbilical cord blood), two (umbilical cord blood and umbilical cord tissue) or three (umbilical cord blood, umbilical cord tissue and placenta) blood or tissue storages. These figures are adjusted for destroyed samples, for retrievals of primary B2B samples and for so-called transfer samples, which are recorded twice in the Group.

RESEARCH AND DEVELOPMENT

FamiCord views research and development (R&D) as a growth driver for the Company's further development. On the other hand, investments in this area should only be made in view of the weak market sentiment, if there is a clear business justification for doing so. Therefore, these activities are selected carefully. This includes knowledge of the state of the art and the latest developments in the field of therapies as well as a careful analysis of the respective target market in order to define the economic potential of new products. In all R&D activities, partners and projects with an economically viable scope are selected in a targeted manner, based on market trends and with an adequate risk profile. In the short term, the main focus is on expanding the current core business, i.e. introducing the storage of placenta tissue throughout Europe.

In the fiscal year 2024, research and development expenses amounted to EUR 4.0 million (2023: EUR 4.3 million), which corresponds to 4.7% (2023: 5.7%) of revenues. As of December 31, 2024, FamiCord employed a total of 27 (2023: 27) employees involved in Research and Development, as in the previous year. Activities in the reporting year were primarily limited to the CAR-T segment. These are bundled in the company FamiCordTx, which has 16 employees dedicated exclusively to this topic.

EMPLOYEES AND QUALIFICATIONS

FamiCord has an international team of qualified employees. They are the foundation for long-term positive development, as well as for the successful acquisition and integration of new companies. FamiCord promotes cross-team cooperation and joint ventures.

As of December 31, 2024, FamiCord had a total of 771 employees (2023: 745 employees).

FamiCord employee structure as of December 31, 2024

Number of employees	**2024**	2023
Total employees*	**771**	**745**
thereof Management Board	3	3
thereof employees in management positions	141	156

* based on headcount excluding temporary staff and trainees, part-time employees and employees on parental leave

The staff of FamiCord is characterized by a high percentage of women of around 78%. 71% of employees in management positions are female. Offers for the compatibility of family and career are accepted by the employees. In addition to part-time employment, these include the flexible distribution of shift work, individual parental leave, additional cash benefits for childcare in daycare centers and kindergartens, as well as flexible working hours. The preventative measures offered to employees as part of health management, the range of foreign languages on offer and group life insurance also met with great interest in the reporting year.

Economic Report

MACROECONOMIC ENVIRONMENT AND SECTOR-SPECIFIC CONDITIONS

MACROECONOMIC ENVIRONMENT

In January 2025, the International Monetary Fund (IMF) published its forecast for economic growth in 2024 at 3.2%. This means that the global economy remained stable, even if the development varied greatly between countries and regions. It is expected that Germany will continue lagging behind the other countries in the eurozone. This was primarily due to the continued weakness in industrial production and exports of goods, even though consumption picked up as real incomes recovered. [4]

According to the Kiel Institute for the World Economy (IfW) [5], the German economy is still not developing any noticeable upward momentum. For almost three years, the quarters in Germany have alternated between rising and falling economic output. As a result, economic activity has practically come to a standstill. With economic growth of –0.2% in 2024, Germany is well below the eurozone average of 0.8% [6]. The overall picture leads the Kiel Institute's economic experts to conclude that the industrial weakness in Germany is not only of a cyclical nature but is also largely due to structural factors. This is supported in particular by the reduction in jobs and the generally moderate increase in short-time work to date. As evidenced by the upward trend in industrial production in the rest of the world, which has long since returned to its pre-pandemic trend, industry in Germany is suffering from increasing competition, particularly from China, as well as location-specific competitive disadvantages. Overall, considerable uncertainty about the direction of future economic policy in Germany is weighing on the German economy, which is inhibiting the willingness to invest in particular and is also having a negative impact on consumer confidence.

The Group believes that purchasing power of the population is an important factor in the decision to purchase the Group's services which are not considered essential for young families. For 2024, the Gesellschaft für Konsumforschung (GfK) has calculated nominal growth of 3.9% across Europe compared to the previous year. [7]

INDUSTRY-RELATED FRAMEWORK CONDITIONS

The usual fluctuations in annual birth rates tend to play a subordinate role for the industry, as there is still enormous potential for increasing the proportion of children being stored within this population. However, in Germany and most European countries, birth rates in 2022, 2023 and 2024 fell sharply within a short period of time – in Germany, for example, from 1.57 children per woman in 2021 to 1.35 in 2023 [8] – so that this must be classified as a special factor that has at least a temporary negative impact and thus overshadowed the fundamentally positive sentiment thanks to a possible increase in storage rates. Experts see one explanation for the relatively abrupt drop in birth rates in the current phase of multiple crises, in which many people are not realizing their desire to have children. [9]

The estimated storage rate (penetration) of umbilical cord blood in private cord blood banks (number of stored cord blood samples in relation to the number of annual births) is overall very low in Europe, especially in Germany. In comparison, the storage rates in the countries of Eastern and Southern Europe are higher. In the past, a positive correlation between targeted marketing activities and sales revenue has also been observed. In attractive markets, a focus on a targeted approach to potential customers will therefore exploit this market potential.

It shall be underlined that there is a very big potential for growth of penetration from the current level in Europe being below 2%. There are already countries with penetration over 5% like Portugal, Romania, Hungary and more. Looking at some developed economies in Asia, you may find countries with even higher ratio, such as Taiwan, Korea or Singapore.

BUSINESS PERFORMANCE

The FamiCord Group remained clearly on course for growth in 2024, both in terms of storage stock and revenue, and significantly disproportionately in terms of EBITDA. This is all the more positive because the challenging environment has not improved noticeably. In particular, the lower birth rates and consumer uncertainty were so significant that their effects on business development were clearly felt.

The combination of geopolitical tensions, first and foremost the Russia-Ukraine war in the immediate vicinity of FamiCord's key markets, with inflation that is directly perceptible to every consumer, continued high energy prices, increased interest rates and fears of recession led to a reluctance on the part of expectant parents to spend more.

STORAGE FIGURES AND CUMULATIVE STORAGE STOCK

In total, the number of total storages increased to around 1.1 million in 2024. The cumulative storage stock of stem cell preparations (excluding the samples kept before by the insolvent Cryo-Save AG, Switzerland) developed as follows:

Cumulative storage stock

Figures in thousand	2020	2021	2022	2023	**2024**
Total	247[1]	886[2]	931	1,006[2]	1,060[2]

[1] Excluding stock of the subgroup PBKM
[2] Adjusted for corrections of the databases, churn, B2B contracts status and destruction of samples

The number of new storages in the FamiCord Group remained at the previous year's level in 2024 at 61.8 thousand, thus falling short of expectations. The growth in the cumulative storage stock is attributable to the introduction of placenta banking in some countries, the extension of expiring storage contracts, and the stable basis in the storage business. The customer churn rate remains unchanged at below 1%. The FamiCord Group continues to achieve very good results and a high renewal rate for expiring contracts. With 4.3 thousand new storages in 2024, FamiCord AG was unable to reach the previous year's level and thus fell short of expectations.

The wide range of different payment methods will continue to be tailored to customers' individual preferences. The focus here is on the options of prepayment for processing and storage over a defined period and the offer of annual payment contracts with annual invoicing. In particular, the aim is to reduce entry barriers and make optimum use of market potential. The price adjustments already initiated in 2023 and further implemented in 2024 will also continue to have a positive effect on revenues.

The Group-wide integration projects following the merger of Vita 34 and PBKM have been completed in many areas and in some are still being driven forward, for example, integration of all Group companies into the financial software. There is a strong focus on sustaining growth synergies. In addition to some cost-cutting and cost-shifting measures, it is a conscious strategic decision to maintain or increase marketing activities and staffing levels in selected country markets at a high level. In Germany in particular, additional sales efforts were again initiated in 2024 and the team has been further strengthened compared to 2023 in order to establish the topics of reach and sustainably increase awareness of stem cell care. Those efforts are contributing to two brands of the Group in the German market. In addition to expanding the sales force to address gynecologists and opinion leaders in a more targeted and regular manner, new positions were also created to deal decidedly with growth strategies and targeted customer outreach.

BUSINESS DEVELOPMENT IN THE REGIONS

As in the previous year, development in the individual national markets was very uneven in 2024 in some cases. Numerous national markets suffered from a significant decline in the number of births, although the Group has concluded more new contracts than in 2023. The most significant decline of births was seen in markets such as Hungary, Portugal and, to a lesser extent, Spain. In terms of revenue, Poland remained the most important national market, followed by Germany and Switzerland. All other countries account for less than 10% of total revenue. Although these three national markets were also affected by a decline in the birth rate, they were able to compensate for this and grow. In Germany and Poland, the development in new contracts and new storages was slightly positive with rising revenues due to contract extensions and price effects. Switzerland also recorded strong growth, additionally boosted by effects from the Italian market, with which significantly closer cooperation is taking place following the streamlining of structures there. The Romanian and Turkish markets, as well as activities in the Middle East developed particularly positively, with significant increases in revenues and new storage in some cases. In several countries, FamiCord successfully pushed the annual payer pricing model. This lowers the entry barrier for customers, which is especially important in the current economic environment. In addition, FamiCord is striving for an increase in market share in the United Kingdom with an attractive pricing policy. According to internal estimations it brought a positive effect in Q4 – FamiCord took position no 2 (from no 3) there in terms of newly acquired clients. The development was hardly affected by the successful implementation of the integration measures in the respective countries, where the organizational and legal mergers of the subsidiaries were completed. In addition, cost-cutting measures were implemented at personnel level, particularly in Poland, Portugal and Spain.

COMPARISON OF ACTUAL RESULTS WITH THE FORECAST 2024

Group:
At EUR 82.3 million, the figure forecast in the forecast report of the consolidated financial statements as of December 31, 2023, was achieved at the level of revenues (forecast range 2024: EUR 81 to 88 million). The earnings forecast based on earnings before interest, taxes, depreciation and amortization (EBITDA) of EUR 6.5 million to EUR 8.0 million was even slightly exceeded at EUR 8.9 million. The development of the purely operating result was consistently in line with expectations. The slight surpassing of the upper end of the forecast range is due in particular to a one-off positive effect of EUR 1.4 million from the agreement achieved with the US licensor of CAR-T technology. In 2024, the number of new storages in the FamiCord Group remained at the previous year's level at 61.8 thousand, thus falling short of the forecast.

FamiCord AG standalone:
At EUR 12.3 million, revenue of FamiCord AG reached the lower end of the forecast range of EUR 12 to 15 million. Storage figures remained slightly below expectations which means that the target of a moderate increase was not achieved. The reason for this was the overall decline in birth rates. EBITDA amounted to EUR −4.0 million and was thus significantly below the forecast range of EUR −3.0 to −0.0 million. The main reason for this was also the lower actual number of new storage combined with higher expenses, for example due to higher valuation allowances and consulting expenses and a conscious decision to increase marketing and sales expenses.

REVENUE AND RESULTS OF OPERATIONS OF THE GROUP (IFRS)

In 2024, the FamiCord Group was able to generate revenues of EUR 82.2 million. This represents growth of 6.6% compared to the prior-year period, in which EUR 77.1 million was generated. In total, cell banking accounts for around 92.7% of Group revenues. Recurring revenues from the storage of cell material amounted to a total of EUR 23.3 million in 2024 after EUR 21.4 million in 2023. Of the growth in revenue of EUR 5.1 million in absolute terms, EUR 2.0 million is attributable to the increase in storage revenue. Price effects of EUR 3.7 million also had a significant positive impact. In contrast, new business slightly slowed down the revenue trend.

EUR thousand	**2024**	2023
Sales revenue	82,184	77,062
Cost of sales	−61,530	−48,818
Gross result	**20,654**	**28,244**
Marketing and selling expenses	−11,248	−10,575
Administrative expenses	−20,521	−20,353
Other income less expenses	1,857	−436
Operating result / EBIT	**−9,258**	**−3,120**
Financial result	−992	−1,222
Income tax income	−2,049	2,310
Result for the period	**−12,299**	**−2,033**
Operating result / EBIT	**−9,258**	**−3,120**
Depreciation for the period	−18,074	−8,690
EBITDA	**8,815**	**5,569**

The cost of sales increased from EUR 48.8 million to EUR 61.5 million while revenue grew by 26.0%. The disproportionate growth was influenced by higher wage costs due to the expansion of the team of employees as well as by scheduled introduction costs for the new placenta tissue storage service, which has been very well received. In addition, goodwill amortization in Portugal amounting to around EUR 2.1 million and at FamiCord AG of EUR 6.6 million had a negative impact. Positive effects were noticeable on the cost side due to the scheduled implementation of integration measures and the associated savings. The cost of sales ratio fell and was characterized by both positive and negative effects. Although lower storage figures led to lower cost of sales, the decline in sales revenue was offset by price increases. Furthermore, revenues were also positively influenced by contract extensions, which in turn were not offset by direct cost of sales. The gross result amounted to EUR 20.7 million (2023: EUR 28.2 million), which is equivalent to a gross margin of 25.1% (2023: 36.6%).

Other income grew from EUR 1.7 million to EUR 3.9 million. A one-off special effect of EUR 1.4 million from the agreement with the US licensor of CAR-T technology and government grants of EUR 0.5 million for CAR-T related research had a particularly positive impact here. At EUR 2.1 million, other operating expenses remained at the previous year's level. Amortization of trade receivables had a negative impact here.

On the expense side, marketing and selling expenses increased from EUR 10.6 million to EUR 11.2 million. FamiCord continued its own marketing and sales activities on a country-specific basis, which required adjustments in both directions. In Germany and Poland, the sales structures were further strengthened in a targeted manner. The ratio of marketing and selling expenses to revenue was therefore 13.7% (2023: 13.7%). In 2024, the focus was again particularly on maintaining a high level of contact with and product-specific information for gynecologists and midwives as key multipliers in the sales process. In addition, online marketing of the products to the target group of expectant parents continued at a high level.

Administrative expenses increased slightly from EUR 20.4 million to EUR 20.5 million. On the one hand, cost savings were realized, particularly in legal advice, while on the other hand, additional expenses were incurred for the headquarters of the subgroup PBKM as well as slightly higher personnel expenses there. Overall, the high level of cost discipline was maintained in all areas of the company.

EBITDA rose significantly from EUR 5.6 million to EUR 8.8 million. This development is primarily due to revenue growth and continued cost discipline. A one-off special effect of EUR 1.4 million resulting from the new agreement with the US CAR-T licensor also had an additional impact on growth.

The operating result (EBIT) amounted to EUR –9.3 million after EUR –3.1 million in the previous year. Total depreciation and amortization amounted to EUR 18.1 million in 2024, compared to EUR 8.7 million in the previous year. The increased depreciation and amortization mainly result from amortization of goodwill on the subsidiary in Portugal and on FamiCord AG itself, as well as the unscheduled amortization of advance payments made on intangible assets of FamiCord AG. The financial result improved slightly from EUR –1.2 million to EUR –1.1 million, which is attributable to effects from the restructuring of interest-bearing liabilities in 2023 and lower losses from exchange rate differences.

In the fiscal year 2023, there was an income tax income of EUR 2.3 million. This consisted of an actual tax income of EUR 0.7 million (resulting from excess of tax returns over tax expense) and a deferred tax income of EUR 1.6 million. In contrast, an income tax expense of EUR 2.0 million was recognised in profit and loss in 2024, which consists of an actual income tax expense of EUR 0.3 million and deferred taxes of EUR 1.7 million. The result for the period after taxes in 2024 fell from EUR –2.0 million to EUR –12.3 million. This development in 2024 was mainly due to the factors described above, which impacted EBIT. Additionally, the previous year's result for the period was influenced by a positive tax effect due to tax returns received in 2023, which did not apply in 2024. Earnings per share, taking into account minority interests, amounted to EUR –0.70 for 17,431,762 shares (2023: EUR –0.12 for 15,880,840 shares).

SEGMENT REPORT

The FamiCord Group reports on the two segments subgroup Vita 34 and subgroup PBKM.

SUBGROUP VITA 34 SEGMENT

Revenue increased by 2.4% from EUR 18.3 million to EUR 18.7 million in 2024. This growth is attributable in particular to the core DACH market. The slightly weaker than expected demand for new contracts was offset by positive price effects, the sale of more extensive service packages and, in particular, growth in contract renewals.

A high level of marketing and sales is essential with the declared aim of leveraging potential in the storage rates. Marketing expenses in the subgroup Vita 34 were therefore increased by 14.3%. The additional funds flowed primarily into the personnel expansion of the sales team. Administrative expenses decreased by 11.3% compared to 2023. In particular, the costs for the Group functions, which are provided in the subgroup Vita 34 for the entire Group, were reduced. In addition, one-off costs were incurred in 2023 for the departure of a Management Board member and the costs of the capital increase carried out at that time, which did not apply in 2024.

The EBITDA of the subgroup Vita 34 totaled EUR −3.0 million in 2024 (previous year: EUR −2.0 million). Investments in the subgroup Vita 34 amounted to EUR 1.1 million after EUR 2.0 million in the previous year and were mainly made in laboratory equipment as well as cryotanks and accessories. The operating cash flow was significantly decreased in 2024 from EUR 0.9 million to EUR −5.8 million.

SUBGROUP PBKM SEGMENT

Revenue in the subgroup PBKM segment amounted to EUR 64.6 million in 2024, which corresponds to a significant increase of 8.0% compared to 2023. At 26,748, the number of new deposits was higher than the previous year's figure of 26,470. Revenue growth was largely generated in the core cell banking business and in an extremely challenging market environment. In particular, price effects, the sale of more extensive service packages and rising revenue from contract extensions had a positive impact. In the same period of the previous year, sales revenue amounted to EUR 59.8 million. For various reasons, the subgroup PBKM traditionally has a higher cost of sales ratio, which has improved significantly since 2023 and has been slightly aligned with the subgroup Vita 34. This was also reflected in EBITDA. EBITDA in the subgroup PBKM once again improved significantly and amounted to EUR 10.4 million after EUR 7.5 million in the previous year. The increase in sales revenue, which resulted from adjustments to contract terms, was not offset by any variable expenses. In addition, positive cost effects were realized in the subgroup PBKM through various integration projects. EBITDA also includes a one-off effect relating to the settlement with iCell.

The subgroup PBKM has implemented extensive restructuring measures over the past periods in response to the difficult revenue trend in some national markets. Fixed costs were reduced, the workforce was cut, and marketing expenses were also scaled back. This trend largely continued at this level in 2024. Only administrative expenses increased due to costs for the subgroup's headquarters and legal consulting costs, partly in connection with a license dispute in the USA. At the same time, significant sales growth was generated in some national markets, such as Poland.

Investments in the reporting period amounted to EUR 2.1 million as in the previous year and were mainly attributable to the expansion of the laboratories in Poland for the new areas of cell and gene therapies (incl. CAR-T) and CDMO as well as licenses.

FINANCIAL POSITION OF THE GROUP

Financial management is directly assigned to the Management Board, and focuses on the management of the capital structure, liquidity management, interest rate and exchange rate hedging, as well as the procurement of funds. The subsidiaries of the subgroup Vita 34 are integrated into the Group liquidity management. A standardized liquidity and financial management system is being implemented for the entire Group.

Within the FamiCord Group, liquidity for the financing requirements of growth and the investments made is mainly secured in the two subgroups through internally generated cash flows and bank loans. Following a restructuring of bank liabilities in 2023, there were no significant adjustments to the credit terms in 2024. There is an earmarked investment credit line of EUR 7.4 million, of which EUR 2.8 million has not been utilized. In addition, the company has an overdraft facility of EUR 10 million, which has not been unutilized as of the balance sheet date of December 31, 2024. Part of the credit line granted at the level of FamiCord AG in 2023 serves in particular to finance further investments. Over the term of this loan agreement until 2027, the loan conditions provide for a maximum net debt to EBITDA ratio of 3.0.

Cash flow from operating activities amounted to EUR 8.7 million in the reporting year, compared with EUR 9.2 million in the previous year. The main driver of the development in cash flow from operating activities – with the annual result remaining negative at the same time – was the positive, cash-effective impact of prepayment contracts. Contract liabilities rose accordingly. After an increase of EUR 7.7 million in 2023, they grew by a further EUR 10.1 million in 2024. Continued capital expenditure on research and development and the new business areas had a dampening effect on operating cash flow. The number of contract renewals continues to rise, which leads to an increase in revenues per contract and recurring revenues and therefore to higher cash flows in the future. In addition, the annual payer pricing model was further promoted in several countries. This lowers the barrier to entry for customers, which is important in the current economic environment, but leads to lower cash flows in the short term. This effect will be reversed over future periods, resulting in higher cash flows overall. While the price effects on revenues implemented in both directions depending on the country market also had a direct impact on operating cash flow, the positive effects on revenues from the recognition of subscription contracts in accordance with IFRS 15 are not cash-effective.

Cash flow from investing activities amounted to EUR –3.1 million in the past fiscal year (2023: EUR –3.6 million). Investment activities in 2024 were characterized by ongoing capacity expansions due to the increasing number of storages and the expansion of the laboratories in Poland for the areas of gene and cell therapies (incl. CAR-T) and CDMO. Additional funds were used for the purchase of laboratory equipment and cryo-tanks. To a similar extent as in the previous year, the FamiCord Group also made replacement investments.

Cash flow from financing activities amounted to EUR –6.1 million in the fiscal year 2024 (previous year: EUR –5.1 million) and is primarily made up of scheduled repayments (EUR 4.8 million) and lease payments (EUR 3.2 million). These factors are offset by cash inflows of EUR 2.0 million resulting from the raising of new financial loans.

In the reporting year, cash and cash equivalents thus decreased by EUR 0.6 million to EUR 16.8 million. Cash outflows from investing and financing activities exceeded cash inflows from operating activities accordingly. The Management Board continues to assume that it will be able to maintain its ability to act at all times through cash inflows from operating activities but has the option of countering potential liquidity risks with alternative means of internal financing. In this context, please refer to the “Liquidity risks” subsection in the risk report.

NET ASSETS OF THE GROUP

Assets EUR thousand	**12/31/2024**	12/31/2023
Non-current assets	112,207	117,086
thereof goodwill	30,664	39,194
Current assets	40,529	42,359
thereof cash and cash equivalents	16,823	17,416
Balance sheet total	**152,737**	**159,445**

Equity and liabilities EUR thousand	**12/31/2024**	12/31/2023
Equity	12,907	23,864
Non-current liabilities	84,669	79,401
thereof contract liabilities	65,019	59,420
Current liabilities	55,161	56,180
thereof contract liabilities	10,012	7,208
thereof potential repayment obligations	27,015	25,354
Balance sheet total	**152,737**	**159,445**

The balance sheet total was stable at EUR 152.7 million as of December 31, 2024 (December 31, 2023: EUR 158.4 million). On the assets side of the balance sheet, non-current assets including goodwill amounted to EUR 112.2 million as of the reporting date of December 31, 2024, compared to EUR 117.1 million at the end of 2023. Mainly higher contract assets offset goodwill, which was down by EUR 8.5 million and whose balance resulted from goodwill amortization in Portugal and exchange rate effects on goodwill, as well as lower intangible assets (EUR 13.5 million compared to EUR 17.3 million), whose balance resulted from scheduled amortization on customer contracts acquired in the past and effects from new agreements with the US licensor of CAR-T technology, and slightly lower property, plant and equipment. Property, plant and equipment decreased by 1.9% to EUR 24.8 million due to the marginally negative balance of depreciation and amortization and investments made. Deferred tax assets increased slightly from EUR 10.4 million to EUR 10.7 million as a result of a corresponding development in losses carried forward by Group companies. Non-current contract assets rose from EUR 9.0 million to EUR 17.3 million and include the higher receivables from annual payer contracts with multi-year terms. The receivables are due for payment within ten years. The significant increase primarily reflects the success of contract extensions. By contrast, current contract assets, which include receivables from annual payer contracts due for payment within one year, fell slightly from EUR 4.0 million to EUR 3.7 million.

Current assets decreased slightly from EUR 42.4 million to EUR 40.5 million as of the reporting date of December 31, 2024. This was due to the development in cash and cash equivalents, which fell from EUR 17.4 million to EUR 16.8 million. The decrease in inventories from EUR 3.4 million to EUR 2.9 million is due to stockpiling adjusted to the quality of the supply chains and availability of goods as well as a normalization of inflation effects. At EUR 13.7 million (December 31, 2023: EUR 12.9 million), current trade receivables remained within the usual range of fluctuation.

On the equity and liabilities side of the balance sheet, equity fell to EUR 12.9 million (December 31, 2023: EUR 23.9 million) due to the earnings trend. The notional equity ratio was 8.5% as of December 31, 2024, compared to 15.0% as of December 31, 2023. With the balance sheet total remaining stable overall, the equity ratio reflects the success of the capital increase carried out in 2023 on the one hand and the current earnings trend on the other. As part of the cash capital increase 2023, the company's share capital was increased from EUR 16,036,459.00 by issuing 1,603,645 new no-par value registered shares. The cash inflow from the capital increase of around EUR 7 million was mainly allocated to the capital reserve.

Non-current and current contract liabilities and potential repayment obligations, which account for 73.0% (2023: 67.8%) of debt capital and result from the special structure of storage contracts in individual national companies with termination options and the corresponding recognition of revenue and obligations on an accrual basis, are the main reasons for the continued high proportion of debt capital. There may be noticeable shifts within these items due to changes in contractual terms for annual payers and the associated adjustments to accounting in accordance with IFRS 15, without noticeably changing the overall significance within debt capital. The short-term repayment obligations are of a purely theoretical nature, which is also reflected in the fact that in the past they were largely allocated to non-current contract liabilities.

Non-current liabilities grew from EUR 79.4 million to EUR 84.7 million as of December 31, 2024. This was mainly due to the aforementioned sharp rise in non-current contract liabilities due to the increase in prepayment contracts and a slight increase in liabilities to banks from EUR 3.4 million to EUR 3.8 million as the balance of new loan commitments, scheduled repayments and reclassifications due to the maturity profile. Non-current lease liabilities fell from EUR 10.4 million to EUR 9.3 million and were therefore within the usual fluctuation range, including reporting date effects. The other financial liabilities of EUR 1.4 million in the previous year no longer apply, as they resulted from a repayment obligation at the subsidiaries Acibadem and Smart Cells which no longer exist. Current liabilities fell from EUR 56.2 million to EUR 55.2 million, mainly due to the repayment of bank loans. Important items within current liabilities continue to be contract liabilities, which increased from EUR 7.2 million to EUR 10.0 million, and potential repayment obligations, which rose slightly from EUR 25.4 million to EUR 27.0 million. They include obligations arising from acquisitions to fulfill storage contracts concluded as well as storage fees received in advance from customers that would have to be reimbursed in the event of the (unlikely) exercise of existing termination rights in individual national markets. Nevertheless, this item is still significant for the Group as a whole, without negative cash flows expected in the subsequent period. The storage fees received in advance are gradually recognized as income over the term.

RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS OF FAMICORD AG (HGB)

The annual financial statements of FamiCord AG were prepared in accordance with the accounting regulations for corporations, taking into account the German Stock Corporation Act (AktG) and the German Commercial Code (HGB).

At EUR 12.3 million, sales revenue for the fiscal year 2024 was slightly above the previous year's level of EUR 11.8 million. The overall weaker demand in the German market, particularly for new storage, was offset by a successful business performance in the extension of expiring contracts. The cost of sales rose from EUR 5.8 million to EUR 6.5 million. This results in a gross result on revenue at the previous year's level of EUR 5.9 million. This corresponds to a gross margin of 47.6% (2023: 50.9%). In the previous year's management report, revenues in the range of EUR 12 million to EUR 15 million were forecast for 2024. This forecast was met. Even higher sales revenue for the fiscal year 2024 was prevented primarily by lower-than-expected storage figures.

EUR thousand	2024	2023
Sales revenue	12,311	11,769
Cost of sales	–6,455	–5,828
Gross result	**5,856**	**5,941**
Selling expenses	–5,641	–4,769
Administrative expenses	–6,906	–8,299
Other operating income less expenses	63,550	1,118
Operating result/EBIT	**56,859**	**–6,010**
Financial result	429	2,516
Income tax income/ expense	0	86
Result for the year	**57,288**	**–3,408**
Operating result/EBIT	56,859	–6,010
Write-ups/depreciation for the period	–60,842	46
EBITDA	**–3,983**	**–5,964**

Selling expenses increased from EUR 4.8 million to EUR 5.6 million due to additional marketing measures and an expansion of the sales team. Administrative expenses decreased from EUR 8.3 million to EUR 6.9 million. In addition to the continued high level of cost discipline, this was due in particular to higher expenses for consulting and the preparation of financial statements in the comparative year 2023 as well as one-off costs at that time for the departure of a member of the Management Board.

The balance of other operating income and expenses amounted to EUR 63.6 million in the reporting period, compared with EUR 1.1 million in the previous year. This was significantly influenced by write-ups of EUR 57.4 million on the PBKM investment and EUR 6.0 million on the Seracell investment. This was offset by lower other operating expenses.

As a result of the effects described above, EBITDA amounted to EUR –4.0 million in the fiscal year 2024 (2023: EUR –6.0 million). The operating result (EBIT) of EUR 56.9 million was strongly influenced by the write-ups made on the PBKM and Seracell investments. Excluding such effects in both year, EBIT was almost at the previous year's level of EUR –6.6 million. This puts EBITDA well outside the range of EUR –3.0 million to EUR +0.0 million forecast in the previous year's management report. This is also due to lower actual storage figures combined with higher expenses.

The result for the year rose to EUR 57.3 million after EUR –3.4 million in the previous year. The sharp increase was due to write-ups on investments, while the operating earnings performance and a lower financial result, which in turn was characterized by lower income from profit transfer agreements, had a slightly negative impact.

Financial position of FamiCord AG (HGB)

EUR thousand	2024	2023
Cash flow from operating activities	–3,391	172
Cash flow from investing activities	3,897	–6,075
Cash flow from financing activities	–2,695	8,216
Total	**–2,189**	**2,313**

The previous year's figures were adjusted to reflect a more accurate allocation of transactions with affiliated companies and to improve comparability.

Cash flow from operating activities decreased significantly from EUR 0.2 million in the previous year to EUR –3.4 million in the reporting period due to necessary adjustments to financing services for affiliated companies, which are allocated to investing activities.

Cash flow from investing activities resulted in a net cash inflow of EUR 3.9 million (2023: cash outflow of EUR –6.1 million). Offsetting a cash outflow for the acquisition of property, plant, and equipment in the amount of EUR 0.4 million, profit transfers received in the amount of EUR 2.7 million and repayments of loans granted had a positive effect on cash flow from investing activities.

The cash outflow from financing activities of EUR –2.7 million (2023: cash inflow of EUR 8.2 million) was mainly influenced by the scheduled repayment of financial loans. In addition, the previous year's figure was affected by the raising of new loans and the capital increase.

As of December 31, 2024, cash and cash equivalents amounted to EUR 1.0 million (December 31, 2023: EUR 3.2 million). Within the FamiCord Group, both FamiCord AG and PBKM as the parent company of the subgroup PBKM perform Group-internal financing functions. As of the balance sheet date, FamiCord AG has undrawn credit lines of EUR 2.8 million. In addition, there is an overdraft facility of EUR 10 million, which had not been utilized as of the balance sheet date of December 31, 2024. Due to the overall positive business development and positive operating cash flows in the Group, the liquidity of FamiCord AG is secured at all times.

Net assets of FamiCord AG (HGB)

Assets EUR thousand	**12/31/2024**	12/31/2023
Property, plant and equipment and other intangible assets	5,474	5,925
Financial assets	180,175	113,549
Cash and cash equivalents	939	3,129
Other assets and prepaid expenses	8,496	15,165
Balance sheet total	**195,084**	**137,768**

Equity and liabilities EUR thousand	**12/31/2024**	12/31/2023
Equity	165,686	108,397
Loans	4,321	6,549
Other liabilities and provisions	8,457	9,414
Accrued expenses and deferred income	16,621	13,408
Balance sheet total	**195,084**	**137,768**

Property, plant and equipment and other intangible assets amounted to EUR 5.5 million as of December 31, 2024 (previous year: EUR 5.9 million). The decline is attributable to amortization of intangible assets, which was opposed by the investments made.

Financial assets climbed from EUR 113.5 million to EUR 180.2 million. This was particularly influenced by the write-ups on the PBKM and Seracell investments. In addition, loans to affiliated companies rose by EUR 3.2 million. Other assets amounted to EUR 8.5 million as of December 31, 2024 (previous year: EUR 15.2 million) and mainly comprised trade receivables in the amount of EUR 3.8 million (previous year: EUR 3.6 million) and receivables from affiliated companies in the amount of EUR 2.6 million (previous year: EUR 9.4 million). The decline in receivables from affiliated companies is due to the repayment of loans within the Group by the subsidiaries PBKM and Smart Cells. Deferred income of EUR 1.5 million (previous year: EUR 1.6 million) was also included.

On the equity and liabilities side, equity increased from EUR 108.4 million to EUR 165.7 million. This is due to the positive result for the year of EUR 57.3 million. As a result, the equity ratio also increased to 84.9% as of December 31, 2024 (previous year: 78.7%).

Loans dropped to EUR 4.3 million (previous year: EUR 6.5 million) due to the lower utilization of a new loan granted in 2023. Other liabilities and provisions amounted to EUR 8.5 million at the end of 2024 after EUR 9.4 million in the previous year. The slight decrease in provisions is due in particular to severance payments recognized in the previous year. Liabilities also include liabilities to affiliated companies in the amount of EUR 5.6 million (previous year: EUR 5.4 million), the special item for grants and subsidies in the amount of EUR 0.2 million (previous year: EUR 0.2 million) as well as provisions in the amount of EUR 1.9 million (previous year: EUR 2.2 million).

Deferred income increased from EUR 13.4 million to EUR 16.6 million as of the balance sheet date. This includes storage fees, which are paid by customers once in advance and released on a straight-line basis over the agreed storage period.

EMPLOYEES OF FAMICORD AG (HGB)

FamiCord had an average of 112 employees (105 FTE) in 2024 (excluding the Management Board, temporary employees, part-time employees and employees on parental leave). In the previous year, there were 99 employees.

OVERALL STATEMENT ON THE ECONOMIC SITUATION OF THE GROUP

In the opinion of the Management Board, the economic situation of the FamiCord Group at the time of publication of the annual report is good, despite the challenging environment due to the effects of the Russia-Ukraine war and has improved again over the course of the year. In particular, it was possible to confirm the growth course despite the challenges and at the same time further increase the operating result. The strategy of combining organic and inorganic growth will continue to be implemented. Integration efforts and efficiency improvements within the Group as a whole were driven forward. Corporate financing was also restructured in key areas as early as 2023, creating good conditions for further growth in 2024 and a stable foundation. In order to provide additional security, the Management Board continues to implement a comprehensive package of measures that includes strict earnings and liquidity-oriented budget planning with additional measures depending on the situation. With a cumulative storage stock of more than 1.0 million stem cell samples and customers from around 50 countries, FamiCord continues to be well positioned.

Corporate Governance

CORPORATE GOVERNANCE DECLARATION IN ACCORDANCE WITH § 289F AND § 315D HGB

The corporate governance declaration in accordance with §289f and § 315d HGB can be viewed on the FamiCord AG website at https://ir.famicord.com/declaration-on-corporate-governance/.

TAKEOVER-RELATED DISCLOSURES (IN ACCORDANCE WITH § 289A AND § 315A HGB)

COMPOSITION OF THE SUBSCRIBED CAPITAL

As of December 31, 2024, the company's share capital amounted to EUR 17,640 thousand. The subscribed capital is divided into 17,640,104 no-par-value ordinary shares. Each share has one voting right. The shares are fully paid up. All shares carry the same rights and obligations. The rights and obligations of shareholders are set out in detail in the provisions of the German Stock Corporation Act (AktG), in particular §§12, 53a ff., 118 ff. and 186 AktG. The share capital remained unchanged during the fiscal year 2024.

Direct or indirect shareholdings in the company's capital as of December 31, 2024, that reach or exceed 10% of the voting rights are as follows:

- AOC Health GmbH, Frankfurt am Main, Germany: 58.4%

Further direct or indirect shareholdings in the company's capital as of December 31, 2024, in accordance with publicly available data are as follows:

- Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A., Warsaw, Poland: 9.1%
- Shareholder Value Beteiligungen AG, Frankfurt am Main, Germany: 5.4%
- Jakub Baran, Poland: 3.6%
- Tomasz Baran, Poland: 0.7%
- Frank Köhler, Czech Republic: 0.3%
- Free float: 22.4%

The information relates solely to the content of published voting rights notifications and voluntary disclosures by investors (as of December 31, 2024).

STATUTORY PROVISIONS AND PROVISIONS OF THE ARTICLES OF ASSOCIATION ON THE APPOINTMENT AND DISMISSAL OF MEMBERS OF THE BOARD OF DIRECTORS AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The appointment and dismissal of members of the Management Board is governed by §§ 84 and 85 AktG and § 31 of the German Co-Determination Act (MitbestG). In accordance with § 8 (1) of the Articles of Association, the Management Board consists of several persons; the number of Management Board members is determined by the Supervisory Board. The members of the Management Board are appointed and dismissed by the Supervisory Board. The Supervisory Board may appoint one member of the Management Board as Chairman or Spokesman of the Management Board and another member as Deputy Chairman.

Any amendment to the Articles of Association requires a resolution by the Annual General Meeting in accordance with § 179 AktG. The authority to make amendments that only affect the wording is transferred to the Supervisory Board in accordance with § 29 of the Articles of Association. By five resolutions of the Annual General Meeting on June 28, 2024, the Articles of Association were amended in several points including the company name, a new Authorized Capital 2024 and an authorization to issue convertible bonds, bonds with warrants, profit participation rights and/or participating bonds.

Resolutions of the Annual General Meeting require a simple majority of votes in accordance with § 25 of the Articles of Association, unless a larger majority is prescribed by law. In accordance with § 179 (2) AktG, resolutions by the Annual General Meeting to amend the Articles of Association require a majority of at least three quarters of the share capital represented at the time the resolution is passed, unless the Articles of Association stipulate a different capital majority.

AUTHORIZATIONS OF THE MANAGEMENT BOARD TO ISSUE SHARES

By resolution of the Annual General Meeting on June 28, 2024, the Management Board is authorized, with the approval of the Supervisory Board, to increase the company's share capital by up to EUR 8,820,052.00 by issuing up to 8,820,052 new no-par value ordinary registered shares against cash or non-cash contributions on one or more occasions until June 27, 2029. This Authorized Capital was newly created by resolution of the Annual General Meeting 2024 so that the company once again has an authorization that can be fully utilized. The Authorized Capital 2022 was partially utilized as part of a capital increase in December 2023.

Opportunity and Risk Report

COMPLIANCE SYSTEM, OPPORTUNITY AND RISK MANAGEMENT AND ACCOUNTING-RELATED INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

COMPLIANCE SYSTEM

FamiCord AG has had a Code of Conduct for itself and the subgroup Vita 34 since 2017, as well as a set of rules with a series of process standards and work instructions that define and ensure compliant behavior. Due to the regulatory requirements resulting from the increased complexity in the course of the merger of the present-day subgroups Vita 34 and PBKM, a new Code of Conduct came into force on January 1, 2024. The Code forms a comprehensive framework for legal regulations and guidelines and obliges all employees to behave accordingly. It covers topics such as fair competition, prevention of corruption and bribery, lobbying, data protection, environmental protection, human rights, equal opportunities, diversity, fair working conditions and social commitment. The Code serves as a guideline for ethical behavior and helps to safeguard corporate values. Numerous local training courses, particularly for sales employees, are already being offered to translate compliance and anti-corruption guidelines into practice.

A major milestone in FamiCord AG's compliance efforts was the introduction of a Whistleblowing System, which has been operational since January 1, 2024. Initially, this system was implemented specifically in entities where the number of employees had reached the legal minimum above which the introduction of a whistleblowing system is mandatory. This included FamiCord AG, Polski Bank Komórek Macierzystych sp. z o.o., KRIO Intezet Zrt and Stemlab S.A. The whistleblowing system provides secure, confidential, and mostly anonymous reporting channels for employees and third parties to report suspected misconduct or irregularities via an online platform, email, postal mail, or directly to the compliance officer, ensuring protection for whistleblowers from retaliation. Implementing this whistleblowing mechanism significantly advanced the Group's broader anti-corruption efforts. It demonstrated FamiCord Group's proactive approach to ethical business conduct, transparency, and accountability.

Consequently, in fiscal year 2024, FamiCord AG introduced in the whole Group an Anti-Corruption Code, further emphasizing its commitment to maintaining a corruption-free environment. The Code sets forth clear guidelines for mitigating corruption risks, enhances employee awareness, and strengthens procedures for reporting unethical practices. Notably, it also ensures that reports of misconduct, including corruption-related offenses, can be made even in Group companies not legally obligated to maintain formal whistleblowing systems.

Additionally, ongoing efforts are underway to introduce further procedures within the Group, aimed at strengthening and developing a robust corporate governance and compliance framework.

OPPORTUNITY AND RISK MANAGEMENT

In the reporting year, FamiCord further improved its risk and opportunity management system (ROM). Practical experience and the expertise of an external risk management consultant were incorporated into the further development. The most important developments include improved risk assessment methods, a strengthened regulatory framework and the promotion of a culture that is even more focused on proactive risk management. These initiatives will enable FamiCord to effectively identify, minimize and manage risks to ensure sustainable growth and operational resilience in the coming years. In 2024, significant progress has been made in this area, which was particularly necessary in view of the increased size and complexity of the Group. In order to limit and control identified risks, FamiCord relies above all on intensive interaction between the ROM, internal control system, compliance management system, internal controlling and auditing, monitoring and review by the Supervisory Board, as well as strategic measures to reduce risk.

To mitigate identified risks, targeted measures are implemented, including the establishment of internal control systems, ongoing monitoring by risk management, and proactive organizational and financial steering. The risks identified in the ROM are systematically reviewed twice a year. Risks arising between these review cycles are added to the risk inventory through ad hoc reports. The identified risks are assigned to selected treatment plans – ranging from risk acceptance, avoidance, and sharing to specific mitigation actions – depending on their nature and potential impact. All material risks are evaluated in terms of their likelihood and impact on the consolidated financial statements and are taken into account appropriately in order to maintain adequate risk management and transparency.

The process and system responsibility for the ROM remains with Krio Intézet Zrt., a Hungarian subsidiary, as the Center of Expertise (CoE) for risk management as well as with the central functions and the regionally established risk and control officers. The CoE provides specialized knowledge, resources and methods to promote standardization, ensure compliance with regulations and optimize cooperation within the Group.

The centrally managed ROM is conceptually based on a company-wide and management-oriented approach with the aim of identifying all relevant risks and opportunities. The basic concept of RCM is centered on the internationally recognized COSO Enterprise Risk Management Framework in the version valid until 2017. FamiCord takes a holistic, integrative approach that combines risk management system, internal control system, and compliance management system into a single management approach (governance, risk, and compliance approach). The introduction of the ROM system is mandatory for all companies in which the FamiCord Group holds a majority interest. The aim of the system is the early identification, assessment and management of those risks and opportunities that could have a significant impact on the achievement of the company's strategic, operational, financial, legal and compliance objectives. The identification, assessment, management and reporting of risks as well as their mitigation and control are the responsibility of the management of the organizational units concerned. The findings derived from this form the basis for the "Explanation of the risks" section. The Management Board identifies and evaluates opportunities in an iterative process. The risk assessment process serves as a crucial communication tool within the organization. It takes place through a series of workshops involving all relevant stakeholders, including those responsible for risk identification, control owners, managers, risk management officers and members of the Management Board. Together, they identify potential risks, with each participant contributing insights based on their expertise and role.

In organizational terms, the ROM is implemented through a multi-stage, self-contained process. In particular, this sets out the procedure and criteria for identifying risks and opportunities, their assessment, management, mitigation, control and reporting, as well as the monitoring of the system.

In accordance with German Accounting Standard No. 20 (DRS 20), an opportunity is defined as the possibility of a positive deviation from the defined company targets, while a risk is defined as the possibility of a negative deviation from the company forecast. In the reporting year, FamiCord adjusted its risk policy twice in line with changing organizational requirements and regulatory expectations. As a result, the risk values now take into account the potential for multiple events, which enables a more comprehensive assessment of cumulative risks. As part of a detailed scenario analysis, impact assessments are carried out for "good", "expected" and "bad" scenarios both before and after risk mitigation. In addition, the net risk now strictly reflects the remaining impact after the implementation of risk mitigation measures that have already been completed or are in progress. Moreover, the risk matrix and the classification of top and tail risks have been updated to reflect these changes. These changes have made the entire system more realistic, including the classification of risks compared to the previous year.

In summary, the following risk classification matrix results:

Risk Exposure Rating Tool								
		Impact Rating						
	Risk Exposure Matrix	Negligible 0 – 10,000	Minor 10,000 – 50,000	Moderate 50,000 – 100,000	Major 100,000 – 250,000	High 250,000 – 500,000	Severe 500,000 – 1,500,000	Extreme > 1,500,000
Likelihood Rating	High (min. once per year)	Medium	Medium	High	High	Critical	Critical	Critical
	Medium (every 1.5 years)	Low	Medium	Medium	High	High	Critical	Critical
	Lower medium (every 5 years)	Low	Medium	Medium	Medium	High	High	Critical
	Low (every 15 years)	Low	Low	Medium	Medium	Medium	High	High
	Unlikely (every 50 years)	Low	Low	Low	Low	Medium	Medium	High

As part of the Group-wide risk management system, risks are assessed based on their probability of occurrence and their potential financial impact using a structured rating tool (Risk Exposure Rating Tool). The following classification serves to ensure uniform assessment, prioritization, and action planning for identified risks:

- Critical risk: A critical risk exists when the potential financial damage is severe and/or there is a high probability of occurrence. Such risks can cause significant operational disruptions, violations of legal or regulatory requirements, or serious damage to reputation.
- High risk: A high risk is characterized by a major potential impact or a high probability of occurrence. Although the impact may be less severe than for critical risks, high risks are nevertheless significant and require active monitoring.
- Medium risk: Medium risks are generally associated with a moderate financial impact and/or probability of occurrence. Although they do not directly threaten core activities, proactive management is required to prevent escalation.
- Low risk: Low risks pose minimal threat to the Group in terms of both probability of occurrence and financial consequences. They are considered acceptable in the context of day-to-day business operations.

In order to improve risk classification and aggregation within the FamiCord Group, the standard risk catalog was expanded by four additional categories (collaboration with hospitals and clinics, data loss, IT service provider risks and storage-related risks) to 79 categories in the fiscal year 2024. The following section highlights the risk areas in which there have been significant changes compared with the previous year or which are currently of critical importance to the Group's activities.

In addition, new procedural and regulatory documents were introduced in the reporting year to strengthen governance and role clarity. These include an updated organizational chart that clearly defines roles and responsibilities in risk management, a procedure for monitoring risk management practices, which will formalize responsibilities and procedures for integrated and independent monitoring from 2025, and a guideline for plausibility checks to ensure the accuracy and completeness of the Group's risk inventory.

In 2024, efforts were also made to integrate risk management into other organizational systems, with the systematic exchange of information to be implemented in 2025. The Anti-Corruption Code was introduced to require the exchange of information on compliance risks. In addition, the legal framework now formalizes the relationship between compliance and risk management and ensures consistent supervision.

In cooperation with an external expert, FamiCord introduced a validated and documented tool for carrying out Monte Carlo simulations and risk-bearing capacity calculations in the reporting year. The most important improvements include separate equity- and liquidity-based simulations, scenario-based evaluations for “good”, “expected” and “bad” results at both company and Group level, as well as aggregated net risk calculations that enable a more precise understanding of the company’s and Group’s risk-bearing capacity.

Further important progress was also made in the area of risk reporting and communication. To this end, the FamiCord Group’s risk management team organized trainings and workshops and provided ongoing support to ensure methodological consistency and skills development. In addition, reporting on top and tail risks became a mandatory part of the monthly KPI presentations, supported by a standardized reporting template.

The Management Board bears overall responsibility for the ROM, which ensures the establishment of comprehensive and uniform management of opportunities and risks. The risk management officers are responsible for the control, implementation and further development of opportunity and risk management in their areas in day-to-day business. In accordance with Section 107 para. 3 sentence 2 AktG, the Audit Committee of the Supervisory Board, which was formed in December 2021, monitors the effectiveness of the risk management system.

DESCRIPTION OF THE MAIN FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM WITH REGARD TO THE GROUP ACCOUNTING PROCESS IN ACCORDANCE WITH § 315 (4) HGB

An accounting-related internal control system is another central component of the FamiCord Group’s risk management system. The main objective in this area is to gradually merge the different systems of the two subgroups over the next two to three years using professional Group-wide consolidation software, and to standardize or redesign all of the reporting and internal control processes behind this software in order to ensure reliable monthly reporting across the Group. The existing system for the subgroup Vita 34 covers the following elements: a) monthly phased budget for all individual companies including subgroup consolidation, b) monthly financial statements for all individual companies including subgroup consolidation, c) intra-year forecasting based on the quarterly results for March, June and September for all individual companies including subgroup consolidation and d) corresponding variance analyses and discussions at the Controlling and Management Board level with the managing directors of the individual companies. The controlling process for the subgroup PBKM is basically the same, with the exception that the financial statements in accordance with IFRS for the year are prepared on a quarterly basis instead of a monthly basis. In addition, business reviews are held monthly between the Management Board and the managing directors of the individual companies in the subgroup PBKM. Overall, the controlling process at consolidated Group level thus extends to a) monthly budgets, b) quarterly financial statements, c) forecasts based on the quarterly financial statements and d) respective variance analyses. Consolidation in the Group as a whole therefore takes place on a quarterly basis.

The results of the controlling process are discussed with the responsible managing directors and/or divisional managers on the one hand and at the monthly Management Board meetings on the other. In addition, reports are submitted to the Supervisory Board on this basis of the monthly financial statements prepared in accordance with local accounting standards. With the described limitation at the level of the subgroup PBKM and therefore the Group as a whole, the accounting, bookkeeping and controlling processes in particular were managed on the basis of this internal system in 2024.

EXPLANATION OF THE RISKS

Unless stated otherwise, all risks presented relate to the Group as a whole and therefore to both subgroups. The following risks are explained on the basis of internal reporting in the risk and opportunity management system. The presentation for 2024 is based on a refined and audit-compliant methodology, including the assessment of net risks, scenario analyses, and Monte Carlo simulations. This led to the downgrading of individual risks, although the overall risk landscape has not changed or has even expanded.

The number and extent of main risks have not changed significantly compared to the previous year, although the classification in terms of their risk significance has been adjusted in individual cases due to the refined methodology. From the entirety of the identified opportunities and risks, the opportunities and risks that could have a significant influence on the FamiCord Group’s results of operations, financial position and/or net assets from today’s perspective are explained below.

Strategic risks

FamiCord may not be able to successfully implement its innovation and organic growth strategy or identify suitable acquisition targets and successfully integrate acquired companies.

Excessive acquisition prices could arise in potential M&A transactions as part of the growth strategy if the results of the target companies are changed specifically for the purpose of the transaction. Management discussions are held or appropriate legal action is taken to mitigate or avoid the risk.

Although innovation is an important part of the business, a lack of further innovation or a failure to execute the growth strategy is not likely to result in the business ceasing to operate. A good 28% of revenue is generated from existing customers. Should there be major issues with winning new customers, FamiCord might consider scaling back the growth strategy accordingly to focus on generating profits with existing customers with a very limited number of employees.

The strategic risk associated with growth and M&A activities was downgraded from high to medium, reflecting improved results in integration processes and increased flexibility in adapting the growth strategy.

Financial risks

The development of the FamiCord share price is also influenced by external events, such as crises on the financial market. The Company will continue to be characterized by compliance with laws and regulations, as well as transparent communication with shareholders on the capital market. An intact access to the capital market is an important prerequisite for FamiCord in order to always be able to optimally adapt its own financing mix to the respective requirements.

In the fiscal year 2024, the FamiCord Group was largely self-financed. In addition, funds for investment projects were drawn down from the Group financing established in the previous year. These two measures put liquidity on a strong footing, also in the medium term. The burden on the FamiCord Group resulting from the significant integration costs and the initially higher costs of the organic development is diminishing thanks to the successful progress of the integration, so that these financial burdens have been alleviated compared to the previous year. In addition to debt and equity measures, the Group can use other short-term management elements.

FamiCord has already successfully implemented several integration measures following the merger. These have made it clear that there is further potential to partially offset the negative effects of rising costs for raw materials, third-party services and increased salaries. Efforts are therefore being made across the Group to identify and eliminate inefficiencies. The Management Board currently assesses the risk of future negative effects of the merger as low.

The possible measures for limiting financial risks include a) tight, strictly liquidity-oriented control of cash tied up as working capital in the individual companies of the Group, b) limiting investments to the extent necessary to ensure the operational security of the business, c) launching incentive programs that allow existing customers to switch from annual to prepayment contracts or to structure contract extensions as prepayment contracts and d) increasing liquidity through balance sheet structuring measures. The implementation of the measures would lead to increased administrative expenses and/or higher financing costs, which would have a corresponding negative impact on the Group’s return. The credit lines have not been utilized as of the reporting date. The risk of non-compliance with the credit terms is classified as low. The liquidity risk is therefore still classified as low overall, provided that the business plan can be implemented. Building on the measures taken in 2023, the Group's financial risks were further reduced in 2024.

A persistently high general interest rate level as well as the risk situation of the Group have increased the financing costs of FamiCord overall. Additional sales price increases are being considered to avoid a reduction in margins. The prepared budget assumes that bank financing will be reduced to a large extent. It would only be necessary to take out further bank loans with corresponding interest charges in the event of business development deviating negatively from the budget, as described above. In this respect, a general rise in interest rates represents only a moderate risk.

For an investment loan of EUR 8.0 million, the loan conditions stipulate a maximum net debt to EBITDA ratio of 3.0. FamiCord must provide the bank with evidence of compliance with the condition on a quarterly basis. Exceeding the limit would result in a short-term liquidity risk for FamiCord in the amount of the loan amount existing at that time due to the immediate maturity. FamiCord counters this risk by continuously monitoring the ratio and utilizing the credit line as needed. The ratios derived from the planning do not provide for a violation of the credit terms over the term of the credit agreement. The risk is therefore classified as medium.

The risk of providing the necessary funds is typical for biotech companies such as the subsidiary FamiCordTx. It has gone through a financing round for the development of a CAR-T product, in particular to cover its own share of a project co-financed by public funds. As no financial support from FamiCord AG is planned, external funds are required. This financing risk is expected to increase in the first half of 2025 and could fully materialize in the second half of the year. Against this background, talks with potential investors have already been intensified. Various financing options from different sources, e.g. venture funds, individuals and pharmaceutical companies, are being examined. Overall, the situation improved as a result of the reassessment and the refined risk management methodology, so that the risk is now classified as medium.

Regulatory risks

Cooperation with medical partners with regard to knowledge transfer, advertising and the collection of umbilical cord blood and tissue as well as research projects could be restricted or terminated. FamiCord cooperates together with several thousand clinics, physicians and midwives. FamiCord is continuously working on expanding existing collaborations and entering into new collaborations with these market partners. It is very unlikely that a significant number of them will suddenly terminate their cooperation or that lost partners cannot be replaced by new ones. Therefore, this risk continues to be considered low.

If FamiCord is unable to obtain, retain or renew permits, approvals and authorizations for the collection, preparation, storage and placing on the market of umbilical cord blood and tissue, the Company would not be able to continue its business activities. This potentially going concern risk is mitigated by the fact that permits, approvals and authorizations relate to individual sites and individual products. It is very unlikely that a large number of permits, approvals or authorizations will be withdrawn at the same time. In addition, FamiCord has the specialists, skills, processes and infrastructure required to obtain the permits, approvals and authorizations. Therefore, this risk continues to be considered low.

FamiCord operates in a highly regulated environment, so that changes in the legal framework could complicate, restrict or prevent business activities. This potentially going concern risk is minimized by the fact that FamiCord continuously monitors changes in the law and actively participates in the legislative process at the EU level, as well as at the state level. Since the processes of legislative changes are lengthy, potential risks can be anticipated and addressed. Due to the overall increase in regulation in the jurisdictions particularly relevant to FamiCord, the risk is now classified as medium after being classified as low in 2023.

Medical and scientific risks

Alternative stem cell sources to umbilical cord blood and tissue could replace the collection, preparation and storage of stem cells from umbilical cord blood and tissue, and thus the core business of FamiCord. However, this scenario is unlikely from the Company's perspective, since there is currently no scientific basis for such a situation, and new therapies would require a very long lead time until they are ready for the market, which should allow FamiCord to react appropriately. Should completely new therapies become available, some of them could be used in parallel with stem cell therapies. Thus, the overall risk is classified as low.

Medical treatments with stem cells from umbilical cord blood and tissue are experimental in nature, so that customers could terminate existing contracts and potential customers could distance themselves from the company's offer due to the perceived minor medical benefits. In practice, FamiCord customers treat this service like a special type of insurance. There is always a chance of possible therapies, so that from the company's perspective there is no rational reason for customers to forego the service. However, since the general framework, for example with regard to consumer confidence and purchasing power, has hardly improved at the same time and the sensitivity with regard to health-related investment and provision decisions has increased as a result, the risk is now classified as medium after low in 2023.

The risk classification has been adjusted from "low" in 2023 to "medium" in 2024 due to a more structured and audit-compliant risk assessment introduced in 2024. The current classification reflects a more rigorous evaluation of external factors such as consumer confidence, macroeconomic uncertainty, and increased sensitivity around health-related expenditures.

Market and competitive risks

The current geopolitical situation and the ongoing Russia-Ukraine war in particular are posing new challenges for the entire global economy. A sharp rise in consumer prices has been observed in Europe since 2022. There is a potential going concern risk that the mixture of the loss of purchasing power, gloomy future expectations and uncertainty could lead to stagnation or even a decline in demand for the FamiCord Group. In principle, in the event of a major crisis it could happen that FamiCord gains far fewer new customers, and the overwhelming majority of existing customers forego the stem cell storage service. However, FamiCord is of the opinion that the majority of the customer groups is resilient to the economic crisis, since it is well paid, is well educated and lives in larger cities. At the same time, many markets are still underdeveloped with a market penetration of less than 2%, which should offer sufficient potential for new customers, for example in upper income brackets with a high level of economic resilience, even in difficult economic times. The risk is classified as low.

There is a risk that the business activities of FamiCord could be impaired by an increase in the intensity of competition. This includes aggressive low-price offers, as well as significant price reductions by competitors or new companies entering the market. These measures can lead to a weaker than expected revenue and profit development at FamiCord. Due to its own strong market position, FamiCord does not believe that any of the existing competitors will be in a financial position to start a price war against FamiCord. Rather, the opposite is the case: FamiCord is introducing some aggressive pricing strategies in selected markets in a very targeted manner in order to strengthen or expand its own market position. The risk is currently assessed as low.

The strong concentration on one business segment – stem cell banking – is currently to be classified as a product risk. However, increasing diversification through investments and the development of new business initiatives (CDMO, CAR-T) are already being implemented at FamiCord. Since a large portion of the revenue comes from existing long-term customers, the company does not expect a sudden increase in migration. Market and competitive risks continued to be classified as low in 2024, as the Group continues to benefit from a stable customer base and a strong market position..

Marketing and sales risks

Potential customers can be influenced by negative, unobjective or false media coverage of umbilical cord blood storage or stem cell applications. This can lead to a loss of sales and a change in consumer behavior. In addition, the selection of cooperations or cooperation partners can lead to declines in sales due to reputational damage or contractual constellations. In the opinion of FamiCord, such a scenario can occur in individual countries, but not in all target markets simultaneously. The stem cell banking industry is very country-specific, and only rarely have potentially negative media reports from one market been transferred to other countries. FamiCord uses media monitoring systems and is in contact with various media representatives in order to provide truthful and reliable information and to react to potentially negative media actions in a timely manner. When negative reports are published in the media the company takes the position to correct them and counteract with an awareness campaign. In general, the risk continues to be classified as low.

The significant sales price increases required as a result of high general inflation could prove to be unenforceable on the market. This can lead to a decline in margins due to corresponding price reductions or volume losses. FamiCord has the opportunity to counteract this with further price increases. Even a lower demand with regard to the number of customers could be compensated for by the overall higher margin. The Management Board views this as a possible risk, especially for the Polish market, and actively manages it with suitable sales and marketing measures. The segment is characterized by customers who have a high affinity for medical and scientific products and have a high purchasing power. The risk is therefore considered to be low overall.

Cost risks

If costs for the storage of human tissue increase, FamiCord may not be able to pass the cost increase on to its customers, which would lead to lower margins than expected. Against the backdrop of a general inflationary environment and significant shortages in the labor market, wages and salaries are rising sharply. This means that wages and salaries must also be increased significantly in the Group in order to retain the necessary personnel and recruit new personnel. This results in corresponding cost and margin pressure. In addition, higher sales prices could curb demand. Strong sales price increases are being implemented in the entire Group; the Group is also utilizing the current general inflation mentality to enforce prices. In addition, targeted efforts are being made throughout the group to further increase efficiency and realize synergies. Contrary to the previous assessment in 2023 as medium, the risk is now classified as low, reflecting improved cost control measures and stronger pricing power, particularly in inflation-sensitive markets.

Operational risks

During transportation between the hospital and the FamiCord laboratories, the human biological material collected may be damaged and become unusable for therapeutic purposes. It can happen that individual samples are lost during transportation. However, this situation is extremely rare, which is why the risk continues to be classified as low. In addition, the quality of the transportation process is continuously monitored and measures to improve it are actively managed.

The tank storages and the associated infrastructure must be operational at all times in order to avoid losses. Failure of the tank storage infrastructure could lead to damage or loss of biological material. The risk is classified as low as the temperature is monitored regularly and a back-up tank is available. These measures ensure a high level of safety and continuity in storage.

Operations depend on the availability of certified materials, with only one qualified supplier available for some materials. Supply problems could lead to high costs for replacement materials or even a production stop. The risk is classified as low, as supplier and material lists are regularly analyzed, and countermeasures are defined and implemented. These include securing a second source of supply for critical materials and stockpiling appropriate inventories.

The risk of data leaks and the inaccessibility of data as a result of cybercrime continues to be classified as low, as comprehensive measures are taken, such as regular training and the strengthening of systems against attacks.

Personnel risks

Highly qualified employees are essential for achieving strategic and financial goals due to their skills. However, there is still strong competition for highly qualified personnel. If FamiCord loses employees in strategically important positions, or if it is not successful in identifying, recruiting and retaining additional highly talented employees who are suitable for the special needs of the company for further organic growth, there could be potentially going concern risks for the business development of the company.

In order to ensure the best possible staffing, FamiCord has implemented a personnel management process. In addition, the Company continuously invests in improving personnel marketing. In addition, the willingness to change is countered with targeted adjustments in employment contracts, the improvement of communication channels, as well as the strengthening of an appreciative environment. To this end, employee satisfaction measures are also being used to a greater extent again. In addition, an HR Group-wide Center of Expertise was introduced in Germany to leverage synergies and pool specialist knowledge and expertise in human resources. This structure will enable FamiCord to react quickly and flexibly to risks and at the same time promote the strategic development of the workforce in the long term.

Within the scope of an attractive overall package, FamiCord not only pays salaries in line with the market but is also prepared to adjust the existing salary structure for existing employees in the respective department upwards if necessary. In addition, the company tries to position itself as an attractive employer through a flexible working time model, an appreciative working environment, a good team spirit, as well as financial and non-financial benefits. Furthermore, the Group size and increased internationality resulting from the merger of the present-day subgroups Vita 34 and PBKM will offer new opportunities for personnel development through job enlargement, job enrichment and job rotation. At the same time, this diversification leads to a higher distribution of risk. Consequently, the risk assessment could be reduced from high to medium because it was proven in the successfully managed phase after the merger that FamiCord continues to be an attractive employer.

ESG risks

Knowledge management and corporate governance

Given that FamiCord works in an industry where specialized knowledge can only be acquired within the company, it is particularly important to preserve the acquired knowledge, thus reducing the risks associated with knowledge management with well-documented processes and a maintained knowledge database.

FamiCord monitors employee satisfaction levels with regular questionnaires and increases employee satisfaction with well-being measures in order to reduce the risks associated with fluctuation, which potentially also leads to knowledge loss.

FamiCord is committed to health preservation and healing, not only for its customers, but also to creating healthy working conditions for its employees. To achieve this, it creates the possibility of flexible and hybrid working in those jobs where this is possible.

Risk related to corporate governance is considered low.

Environmental, health and safety

The services offered by FamiCord are strongly built on trust, so the Group is committed to sustainability, environmentally friendly energy, water and waste management.

Since most of the Group's business activities are not particularly energy-intensive, the risks associated with energy consumption can be considered low in the short term. Nevertheless, the Group takes into consideration the potential risk of medium-term cost increases due to energy price fluctuations.

On the other hand, our operations are directly and fully dependent on fluid nitrogen supply in order to cool the cryo-tanks, so any disruption to supply for any reason could be critical to the business. The likelihood of the occurrence is considered to be low, so the associated risk exposure is also low.

Climate change

Biological samples can only be transported within a specific temperature range to preserve their quality, so the increase in temperature due to climate change, especially in the summer months, increases the risks involved in transportation. However, these risks can be prevented by adjusting the processes and increasing the heat retention capacity of the collection kit. The risks associated with climate change are low.

New or formalized categories such as ESG-related risks, environmental dependencies, and data risks were more clearly defined and classified in 2024. These were not assessed individually in the report for 2023, but are now explicitly taken into consideration and rated as low risk.

OPPORTUNITIES FOR FUTURE DEVELOPMENT

Unless stated otherwise, all opportunities presented relate to the Group as a whole and therefore to both subgroups. For obvious reasons, which result from the different sizes of the respective subgroups, certain opportunities may be easier to implement in the subgroup PBKM, as it is active in a larger number of countries. On the other hand, implementation in all of the countries in which the subgroup PBKM operates is more challenging than in the subgroup Vita 34, which is de facto active in Germany, Austria, Luxembourg and Spain in the area of private customer acquisition. In addition, it should be emphasized that certain opportunities are rather to be understood as triggers for a stronger interest in stem cell storage and do not directly contribute to an increase in revenue. Unlike risks, FamiCord does not classify opportunities according to their financial impact and probability of occurrence, so that it is not presented in full here.

Product opportunities

The consistent expansion of its own product portfolio creates numerous additional opportunities for the Group, which are becoming increasingly important and were therefore recorded and managed in such detail for the first time in 2024.

New era of precision medicine and stem cell-based therapies

The global healthcare industry is undergoing a transformation towards precision medicine, with cutting-edge technologies such as mRNA, CAR-T, CRISPR/Cas and various biological applications taking center stage. Approximately 5,000 clinical trials worldwide are currently looking at cell-based therapies, with around 1,000 focusing on stem cells alone. As a major family stem cell bank in Europe, FamiCord believes it is well positioned to capitalize on this momentum. By securing stem cells, FamiCord provides families with access to therapeutic options that will reshape the future of healthcare.

Overall, the opportunities are considered to be very good.

New therapies to expand the use of stem cells

The healthcare sector's shift to personalized treatments is being driven by new technologies that are expanding the use of stem cells in a range of therapeutic applications. The recent FDA approval of cord blood expansion technologies provides greater clinical utility for these cells, while recent studies confirm the viability of biological material stored for over 25 years. These advances underscore the long-term value of cord blood banking and make it particularly attractive to families seeking a forward-looking healthcare investment. Samples stored at FamiCord can now serve as important resources for new treatments in oncology, neurology and regenerative medicine. FamiCord, which already has several thousand stem cell products used in therapies, about half of which are for experimental applications, will be able to use this experience to become a reliable partner for clinics and hospitals. The majority of them are using so called mesenchymal stem cells (MSC). In December, US FDA approved the first MSC based product in the US, which shows that such therapies are reaching the market. Accordingly, the opportunities are considered to be very good in the long term.

Placenta banking: unlocking expanded therapeutic potential

FamiCord expands its offering by introducing placenta banking to its markets. Placental tissue, a rich source of various stem cells, offers a broader therapeutic spectrum beyond cord blood and addresses specific healthcare needs that cord blood alone cannot fulfill. This expanded service not only diversifies FamiCord's offering but also strengthens the company's role as a comprehensive healthcare partner for families. Acceptance in markets such as Switzerland, Poland, Romania and the GCC underlines the high potential of placenta banking to increase revenue per customer and deepen customer loyalty. Furthermore, placenta seems to be naturally recognized as a life source by some customers and partners and therefore attractive tissue to be preserved for future. That can help to overcome hesitation to collect cord blood.

Overall, the opportunity is considered to be attractive as it is already contributing to both revenue and profit with good prospects of successful roll-out in more countries.

Comprehensive therapeutic partnerships as catalysts for growth

FamiCord's ongoing and developing partnerships with hospitals, clinics and universities play a key role in raising awareness and expanding the potential use of stem cells. By collaborating with healthcare providers on experimental therapies for diseases such as cerebral palsy and autism, FamiCord is demonstrating the real-world therapeutic applications of stem cells. These partnerships strengthen FamiCord's position as an important company in the field of ethical, therapeutically applied stem cell banking and promote awareness of and interest in banking options for families seeking preventative and regenerative healthcare. FamiCord believes that engaging more stakeholders in the broad topic of cell therapies will have a positive impact on the family banking sector. To this end, a team is to be set up to take care of this initiative under the leadership of a Management Board member. The positive experiences in Poland and Romania in this regard are encouraging. The opportunities in this area are classified as high. FamiCord has already initiated discussions with a number of new potential partners in Poland, Germany and the UAE. Independent of this, there are ongoing discussions with larger pharmaceutical companies regarding collaboration in the field of CAR-T therapies.

Efficient customer acquisition through digital marketing

FamiCord's digital marketing strategy enables leads to be captured and converted efficiently. With targeted outreach and AI-based tools, FamiCord can optimize customer segmentation, increase marketing efficiency and support scalable growth. This approach ensures a high return on marketing investment and also increases brand awareness, positioning stem cell banking as important decisions of future parents and positioning FamiCord as the first choice provider. FamiCord identifies and works on projects where the use of AI can help to either save time or money or improve the outcome in terms of quality. The opportunities from digital marketing are assessed as medium.

Expansion of ATMP activities

FamiCord plans to expand its ATMP-related activities to provide services to early-stage biotech companies that need to manufacture their biological drug candidates, particularly cell and gene therapies, during the development process. In order to achieve this, more sales and marketing activities are planned for 2025, which may lead to new contracts in the future. It was decided to build up a pipeline of opportunities before fully implementing the plan, which is currently already being done.

Organic growth

As part of its corporate strategy, FamiCord traditionally focuses on organic growth. The company is working hard to continuously increase its market penetration in the most attractive markets through targeted marketing and sales measures in order to expand its market position and tap into underdeveloped markets.

Monetization of existing clients' base

At the moment, FamiCord monetizes the existing clients' base to a limited extent. The Group believes there is a potential which should be explored further. FamiCord's statistical client has rather high income, is better educated than average and lives in greater cities. Usually, this kind of people are interested in buying several new services and are also open for new technologies.

Overall, the chances are rated as good.

Strategic opportunities

FamiCord is the market leader in Europe, positioning itself as the leading, trusted name in family stem cell banking. The low market penetration in Europe – less than 2% compared to 3% to 4% in the US and over 10% in some developed Asian countries – provides FamiCord with the opportunity to drive growth as awareness and demand for stem cell banking increases. Industry consolidation has streamlined competition, created high barriers to entry and strengthened FamiCord's leading position as a stable, credible provider. This advantageous position underpins FamiCord's potential for expansion as the market continues to evolve.

FamiCord's growth strategy focuses on expanding market penetration in high-potential regions such as Germany, Poland, Spain and the GCC, where various country-specific factors such as economic growth, size, consumer power, investment in healthcare and family-oriented cultures are in line with FamiCord's offerings. New services such as placenta tissue banking and health diagnostics increase the lifetime value of customers and strengthen FamiCord's role as a comprehensive healthcare partner for families. Additionally, FamiCord plans to increase its market share in the UK, UAE, Romania, Hungary and more.

Overall, the chances are rated as good.

Regulatory opportunities

In principle, FamiCord sees long-term potential for the products offered to be exempt from VAT as medical services. This would result in the Group being able to offer its customers more attractive prices and simultaneously increase its profitability.

The opportunity is rated as relatively good.

Market opportunities through the merger of Vita 34 and PBKM as well as further acquisitions

The merger of the present-day subgroups Vita 34 and PBKM in 2021 has significantly increased FamiCord's market share in Europe. Accordingly, the financial, personnel and technological resources within the Group have increased significantly, and the already comprehensive range of services has been further expanded. In addition, new growth opportunities are opening up for FamiCord in the operating business, as well as noticeable revenue and cost synergies.

FamiCord has recorded growth spurts in the past through targeted strategic acquisitions and has put itself in a position to sustainably strengthen its position in the European market. The merger of the present-day subgroups Vita 34 and PBKM results in synergy effects and competitive advantages, which offer new opportunities for customer acquisition, particularly due to the various offerings. In addition, access to new technologies and qualified personnel will be made possible. In the past, FamiCord has been able to build up extensive expertise in planning the integration of the acquired companies, as well as implementing them quickly and successfully.

Within the scope of the increasing consolidation of the market for private stem cell banking, FamiCord regularly examines the potential to expand through opportunistic acquisitions, thereby improving its geographic market position throughout Europe.

The market opportunities are rated as good overall.

OVERALL ASSESSMENT OF THE MANAGEMENT BOARD

As an important cell bank in Europe, FamiCord sees itself well positioned with regard to the opportunities and risks in order to secure the continued existence of the company in the long term and to utilize the opportunities that present themselves. The significant increase in company size and the expanded internationality as a result of the merger of the present-day subgroups Vita 34 and PBKM also have a positive effect here. After reviewing the risk situation as of the balance sheet date of December 31, 2024, there were no risks that could endanger the company as a going concern that could not be mitigated with sufficient probability. In individual markets, offers to switch from annual payment contracts to prepayment contracts are placed in order to further strengthen short-term liquidity. The overall risk situation of FamiCord has improved significantly compared to the previous year, despite the macroeconomic consequences of the war in Ukraine and the associated potential effects on revenue and earnings, as well as possible challenges from the merger of the present-day subgroups Vita 34 and PBKM. The results of operations are considered to be good overall. There are no discernible risks to the company as a going concern in the future. In parallel, numerous opportunities for growth are identified and the Management Board believes they will contribute to improving the financial results when implemented.

According to the Management Board's assessment, based on the analyses and estimated effects, no knowledge has arisen during the period between the balance sheet date and the preparation of the annual financial statements for 2024 that the risk-bearing capacity is not given.

Forecast Report

The assumptions underlying this forecast report are based on the Group's internal planning figures and the statements and publications of leading economic institutions. These mainly include the Federal Ministry of Economics and Climate Protection of the Federal Republic of Germany (BMWK), the European Central Bank (ECB), the International Monetary Fund (IMF) and, if applicable, trade associations relevant to the company.

In addition, general sentiment indicators and feedback from the sales departments on the currently perceptible purchasing behavior of customers are included in the analysis. As has been shown in the past, FamiCord's business model and the demand for the Group's products are comparatively resilient to slight to moderate economic downturns. According to the company, this is directly related to the rarity or uniqueness of the birth of a child for most couples, which is reflected in the expectant parents' increased willingness to spend money. In recent years, however, stronger economic upheavals have also been reflected all the more clearly in the company's revenue and earnings performance.

The noticeable uncertainty among potential customers since the COVID-19 pandemic and the war in Ukraine continues to have a weakening effect on birth rates in many European markets. Due to the fundamental change in the global political situation since the US elections and the changed security situation, particularly in Europe, the company does not expect to see a fundamental improvement in consumer sentiment in the fiscal year 2025 compared to previous years. At the same time, however, potential for increasing market penetration was identified and the company's own marketing and sales structures were systematically geared towards leveraging this potential over the course of 2024. FamiCord has thus set an important course for sustainable growth, greater market penetration and improved profitability in 2025.

Based on the business development in 2024 and the solid financing structures, the Group continues to be well positioned in terms of financing. With the budget for 2025 and further planning for 2026, the Group is continuing its consistent earnings and liquidity-oriented business policy. This includes various scalable measures designed to ensure the company's liquidity at all times in the event of an unplanned deterioration in business performance due to economic factors. In order to meet the requirements of Section 252 (1) No. 2 HGB and IAS 1.25 with regard to going concern, various stress test calculations have been prepared which show that the existing cash and cash equivalents and available credit lines in conjunction with other liquidity-related measures guarantee the company's solvency at all times. As a short-term measure, the Group can resort to needs-based management of investment activities. In addition, offers for existing customers to switch from annual payment contracts to prepayment contracts can increase liquidity in the short term. In the opinion of the Management Board, this will ensure the company's ability to continue as a going concern.

Despite the many macroeconomic challenges, the Management Board expects the economic environment in Europe to slowly improve, not least due to the increased willingness of many European governments to invest. At the same time, the growth initiatives already initiated in 2024 should provide additional growth momentum in the current fiscal year. Accordingly, consolidated revenue in the range of EUR 85 to 95 million and EBITDA in the range of EUR 8.7 to 10.3 million are expected. The forecast is based on a constant exchange rate of the euro against the Polish zloty and other currencies (HUF, RON, TRY, GBP). Effects from possible acquisitions, including potential resulting transaction costs, are not included in the forecast.

For FamiCord AG, revenues in the range of EUR 12 to 14 million and an EBITDA in the range of EUR –5.0 to –3.0 million are forecast for the fiscal year 2025. Revenues are to be achieved primarily through higher new storages.

The new storage expected for 2025, both for FamiCord AG and for the Group as a whole, should be moderately higher than the figure for the reporting year. Further growth is also planned for new customer contracts and the number of storages in 2025, despite the difficult market environment and possible fluctuations during the year. FamiCord continues to see excellent opportunities for increasing market acceptance of its own products and services. These are to be exploited through appropriate marketing and sales activities, which are to be continued overall at a significantly higher level than in the previous year in 2025. For the German and Polish markets, personnel reinforcements have already been implemented in some areas and further improvements in the effectiveness and efficiency of resource utilization are planned.

NON-FINANCIAL REPORTING

The Sustainability Report prepared for the reporting year is part of the Annual Report and can be accessed on the FamiCord website under the link https://ir.famicord.com/financial-report/2024/.

FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements. They are based on current information available to the Group at the time the annual report was prepared. However, such forward-looking statements are subject to risks and uncertainties. If the underlying assumptions do not materialize or additional opportunities/risks arise, the actual results may deviate from the estimates made. Therefore, FamiCord cannot assume any liability for these statements.

DEPENDENCY REPORT

In fiscal year 2024, FamiCord AG (formerly Vita 34 AG) was a dependent company of AOC Health GmbH, Frankfurt am Main, Germany, within the meaning of § 312 AktG. In accordance with § 312 AktG, FamiCord AG has therefore prepared a report on relationships with affiliated companies. This report concludes with the following declaration by the Management Board:

“We declare that the company received appropriate consideration for the legal transactions listed in the affiliated companies in the fiscal year 2024 according to the circumstances known to us at the time the legal transactions were carried out, the company received appropriate consideration for each legal transaction. Other measures within the meaning of § 312 (1) AktG were neither taken nor omitted in the fiscal year 2024.”

Leipzig, April 29, 2025
Management Board of FamiCord AG

Jakub Baran
Chief Executive Officer

Thomas Pfaadt
Chief Financial Officer

Footnotes

1 https://www.cb-association.org/assets/docs/Fact%20Sheet_February%202024.pdf

2 https://clinicaltrials.gov/ct2/results?cond=cord+-blood&term=&cntry=&state=&city=&dist=&recrs=a

3 https://www.cb-association.org/future-of-cord-blood-banking-webinar

4 IMF – World Economic Outlook, January 2025

5 Kieler Konjunkturberichte Nr. 120 (2024/04), Deutsche Wirtschaft im Winter 2024

6 Kieler Konjunkturberichte Nr. 119 (2024/04), Weltwirtschaft im Winter 2024

7 https://nielseniq.com/global/de/news-center/2024/die-kaufkraft-der-europaer-steigt-2024-auf-18-768-euro/

8 https://www.aerztezeitung.de/Panorama/Statistik-fuer-2024-Weniger-Geburten-weniger-Zuwanderung-455980.html

9 https://www.bib.bund.de/DE/Presse/Mitteilungen/2024/2024-03-20-Geburtenrate-faellt-auf-den-tiefsten-Stand-seit-2009.html

NON-FINANCIAL GROUP REPORT 2024

General Information

ESRS 2 – General disclosures

BASIS FOR PREPARATION

GENERAL BASIS FOR PREPARATION OF NON-FINANCIAL STATEMENTS (BP-1)

Scope of consolidation
FamiCord's non-financial Group statements (hereinafter referred to as the "non-financial statements") have been prepared on a consolidated basis and include the Group's subsidiaries. The reporting period is the financial year from January 1 to December 31, 2024. The scope of consolidation is the same as that of the financial statements (see Fundamentals of the Company and the Group, section Corporate structure and shareholdings, of the Combined management report), unless otherwise stated throughout the text **[BP-1_01; §5 a i |BP-1_02; §5 b i]**.

FamiCord used the appropriate mechanism under MAR in terms of disclosure of impending developments or matters in course of negotiation **[BP-1_06; §5 e]**.

Value chain
The non-financial statements cover the Group's upstream and downstream value chain as the related impacts, risks, and opportunities have been identified and assessed in the Double Materiality Assessment (DMA). Selected policies, actions, and targets extend to the Group's value chain, where relevant **[BP-1_04; §5 c]**.

External review
The non-financial statements were not subject to an external review besides support of experts hired by FamiCord.

DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES (BP-2)

Time horizons
The time horizons adopted for the preparation of the non-financial statements are in line with those defined in ESRS. The time horizons are: short-term (<1 year), medium-term (from 1 to 5 years) and long-term (>5 years). **[BP-2_01; §9 a]**.

Value chain, sources of estimation and outcome uncertainty
Regarding the value chain, FamiCord presents scope 3 greenhouse gas emissions data in these non-financial statements. There are inherent sources of estimation and uncertainty associated with this data. This uncertainty arises from the assumptions and factors used in the calculations, as well as data gaps (see Environmental Information, section E1-6) **[BP-2_03; §10 a | BP-2_04; §10 b | BP-2_05; §10 c]**.

Information on the estimates, where applicable, has been provided in context in the respective sections, in the methodological notes **[BP-2_07; §11 a | BP-2_08; §11 b i | BP-2_09; §11 b ii]**.

Comparative information
In the present report no comparative information is presented for metrics. For the defined targets, comparative data is provided to monitor progress.

Changes in preparation or presentation of sustainability information
Compared to the previous period, the non-financial statements have been significantly expanded, as they are prepared based on the requirements of the ESRS. This has had a considerable impact both in terms of its content and structure **[BP-2_10; §13 a]**. Apart from this, there were no specific changes in the metrics reported in prior periods.

Reporting errors in prior periods
FamiCord has not identified any material errors related to prior periods.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

The report was prepared in accordance with the statutory requirements pursuant to § 315b and c in conjunction with § 289b to § 289e of the German Commercial Code (HGB), as well as the CSR Directive Implementation Act (CSR-RUG), the German regulation that transposes the EU's Non-Financial Reporting Directive (NFRD), Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014, into German national law. This regulation remains in force in Germany, as the Corporate Sustainability Reporting Directive (CSRD), Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, has not yet been transposed **[BP-2_16; §15]**.

No recognized framework was used in the preparation of this report.

In preparation for the upcoming CSRD reporting obligations, these non-financial statements **were prepared in orientation to the European Sustainability Reporting Standards (ESRS)**, as defined in Commission Delegated Regulation EU 2023/2772 of 31 July 2023. This includes:

- Performance of the double materiality assessment in orientation to ESRS 1 - General Requirements.
- Structure of the report comprising the sections General Disclosures, Environment, Social, Governance, as well as the general presentation of policies, actions, targets and metrics in each chapter.
- Where possible, adhered to the structure of presenting information as outlined in ESRS 2 - General Disclosures, and the relevant topical standards.

As foreseen in the ESRS, it also includes the disclosures pursuant to Article 8 of Regulation EU 2020/852 of 18 June (hereinafter referred to as the "EU Taxonomy Regulation") – presented in Environmental Information – as well as a list of datapoints in cross-cutting and topical standards that derive from other EU legislation, according to Appendix B of ESRS 2 – presented in the Appendix of these non-financial statements.

The ESRS standards included in the non-financial statements cover the five sustainability aspects identified in the German Commercial Code as follows:

- Environmental matters – E1
- Employee matters – S1
- Social matters – S4
- Respect for human rights – S1-2, S1-3, S1-17
- Anti-corruption and bribery – G1.

In this year's non-financial statements, FamiCord aimed to provide the most comprehensive response possible to the ESRS requirements. However, while ESRS E5 – Resource Use and Circular Economy and ESRS S3 – Affected Communities were identified as material through the DMA (see section IRO-1), they were not reported this year. This decision was made as the assessment was conducted at the end of the reporting period, and there was insufficient time to collect and validate all the necessary information in a fully structured manner. Additionally, data collection processes are still being refined across the Group's companies. Regarding affected communities, some of the initiatives implemented under ESRS S4 – Consumers and End-Users also address community-related aspects. Where applicable, this has been explicitly identified within the report. The disclosure of information related to ESRS E5 and ESRS S3 will be included in a future reporting cycle, once the data collection processes across the Group's companies are further strengthened and the Group's sustainability strategy is fully established.

It is important to note that, although not reported this year, in the context of E5 and S3, several material impacts, risks and opportunities were identified during the double materiality assessment.

In terms of resource consumption, the Group's daily operations, as well as the transportation of samples and the production of the materials necessary for the Group's activities, are linked to resource depletion. However, greater efficiency through practices such as reusing and recycling materials helps reduce the demand for raw materials. Despite these efforts, FamiCord faces risks related to rising supplier costs due to resource shortages or energy rationing, driven by international conflicts and increasing fossil fuel prices. There is also a certain risk that due to consolidation processes of the suppliers, as well as tariffs war initiated by USA, the competition will be limited causing pressure on price increase. Additionally, stricter regulations on waste disposal and circular economy practices could lead to higher compliance and disposal costs. On the other hand, enhancing resource efficiency and adopting circular practices present an opportunity to reduce both material and waste management costs.

Regarding affected communities, FamiCord Group positively contributes to local well-being through various social responsibility initiatives (e.g., stem cells donation programs, training and education, free services for people in urgent need of stem cell treatments). However, the high cost of services may pose a financial barrier for lower-income groups, potentially limiting access to treatments. While service costs may present a challenge for some, the Group remains committed to promoting accessibility to these treatments.

During 2024 FamiCord focused in developing policies and procedures related to business conduct, anti-corruption and whistleblowing, and for 2025 the Group will prioritize the policies related to environment, diversity, equity and inclusion, as well as supplier's management.

Incorporation by reference

FamiCord has adopted the "Incorporation by Reference" approach to enhance the narrative structure. The list of disclosure requirements incorporated by reference, along with their location in this report, can be found in Table 3 of the ESRS correspondence tables in the appendices **[BP-2_20; §16]**.

GOVERNANCE

THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES (GOV-1)

FamiCord is structured according to the traditional two-tier management system of a German stock corporation. The Board of FamiCord consists of a Management Board, composed of three executive members (except for the period of 22/03/2025 to 29/04/2025 where the Management Board was only composed by the two members Jakub Baran and Thomas Pfaadt) and a Supervisory Board, which includes six non-executive members, four of whom are independent (67%) **[GOV-1_01; §21a, GOV-1_02; §21a | GOV-1_07; §21e]**. Among these nine members, one is a woman (11%) and eight are men (89%) **[GOV-1_05; §21d]**, representing a gender diversity ratio of 0.11 **[GOV-1_06; §21d]**.

Although no member specifically represents employees and other workers, FamiCord has workers representatives at its headquarters in Leipzig. These employees meet with the Management Board on a monthly basis, or even more frequently if required, to discuss information and decisions impacting on the workforce, including a wide range of social matters in accordance with §87 BetrVG **[GOV-1_03; §21b]**.

The information on the experience of the board members relevant to the sector, products, and geographic locations of the Group is presented below **[GOV-1_04; §21c]**.

Management Board in 2024		
Jakub Baran Chief Executive Officer (CEO); Jakub Baran graduated from the Wroclaw University of Technology in 1995 with a Master of Science in Electronics. He began his career at Hewlett-Packard, where he held various positions. In 2003, he moved to IBM as sales manager for the telecommunications market. In 2005, he joined the board of PBKM, a company he was instrumental in founding in 2002. At PBKM, he was initially responsible for sales, finance and business development. He was appointed CEO in 2009 and successfully made the company public in 2015. Under his leadership, PBKM became the number 1 in Europe in stem cell banking for families. Jakub Baran has extensive experience in international expansion, M&A, strategy development and corporate management. Jakub Baran has been CEO of FamiCord AG since 22 March 2022 and acted as CFO for the period of 1 Jan 2024 untill 31 Jul 2024.	**Thomas Pfaadt** Chief Financial Officer (CFO); Thomas Pfaadt trained as a banker and studied business administration at Goethe University Frankfurt am Main and the University of Southampton. He began his career in M&A and corporate finance at Pricewater-houseCoopers and DZ Bank. He then took on management roles at two leading German companies in the healthcare sector, Asklepios Kliniken and MEDIAN Kliniken. In 2018, he became CFO and Managing Director at c-LEcta GmbH, a biotechnology company for enzyme products. Thomas Pfaadt has been CFO of FamiCord AG since 1 August 2024. Ever since he joined FamiCord he is overseeing all sustainability related matters within the FamiCord Group.	**Tomasz Baran** Chief Commercial Officer (CCO); Tomasz Baran received his diploma in Medicine from the Medical University in Lublin, Poland, in 1997. He has held various positions in the pharmaceutical industry, specializing in sales, marketing, business development and pharmacovigilance. In 2008, he completed the Executive MBA program at the University of Quebec in Montreal. During his 13 years working for domestic and international companies, he gained expertise in various therapeutic areas. In 2010, he joined PBKM as Sales and Marketing Director. In 2012, he was appointed to the Management Board and has been Executive Vice President since 2020. Tomasz Baran has participated in international executive education programs and contributes to strategic projects of the Group. Tomasz Baran has been CCO of FamiCord AG since 22 March 2022.

Supervisory Board in 2024

Florian Schuhbauer Chairman of the Supervisory Board;	**Dr. Peter Greiner** Deputy Chairman of the Supervisory Board;	**Frank Köhler** Member of the Supervisory Board;
Florian Schuhbauer is founding partner of Active Ownership Capital S.à r.l and Active Ownership Corporation S.à r.l. (AOC) and has more than 20 years of relevant experience. He started his career at Dresdner Kleinwort Benson with positions in risk management and equity research. Afterwards he built up Newtron AG, a software company that developed software to optimize strategic sourcing processes, which subsequently has been sold successfully. He then became CFO and Executive Vice President of DHL Global Mail in the US, a subsidiary of Deutsche Post AG. Before founding AOC he was partner at private equity firms General Capital Group and Triton Partners. He serves as Board Member of PNE AG (Germany) since May 2017 and as Board Member of NFON AG (Germany) since December 2019.	Dr. Peter Greiner is a scientist and entrepreneur, focusing on fertility and stem-cell therapies, with over 15 years of experience in the pharmaceutical industry. He is a biochemist by training and an award-winning professor for marketing and sales at Goethe Business School by choice. Dr. Greiner started his career at Merck KgaA, Darmstadt, Germany, where he held roles of increasing responsibility in consulting, marketing, sales and R&D. His career has included key roles such as Director Business Unit Fertility, Endocrinology & General Medicine Germany, Head of the CEO Office at Merck Group, Regional Business Lead Fertility EMEA and Global Program Lead Fertility R&D. Before starting his own company, Dr. Greiner was Senior Vice President and Head of the Global Fertility Franchise at Merck Healthcare. Dr. Greiner is fluent in German, English, and Spanish, and has lived and worked in various countries, including the USA, Colombia, Switzerland, and the UAE.	Frank Köhler was born in Pforzheim, Germany, in 1964. Mr. Köhler graduated from the University in Stuttgart in 1996 with a degree in technical economics (techn. Dipl.- Kfm.). After his studies, he worked in different management positions in merchandising such as Loriot Design GmbH. In 2000, he joined Aroma Company, a distributor of high-end beauty and perfume products. In 2005, he became co-owner and Director of the company, renamed Aroma Company Köhler, Frank und Weckesser, Frank GbR. Mr. Köhler expanded this business and founded Aroma Beauty and co-founded Aroma Company GmbH in the following years. Both companies are developers of perfume brands and distributors of high-end beauty and perfume products to leading perfumeries and lifestyle shops throughout Europe. Mr. Köhler is an expert for branding and marketing in the luxury sector.

Supervisory Board in 2024

Dr. Ursula Schütze-Kreilkamp Member of the Supervisory Board;	**Konrad Miterski** Member of the Supervisory Board;	**Paul Owsianowski** Member of the Supervisory Board;
She has a doctorate in medicine, is a specialist in gynecology and midwifery, a specialist in psychological medicine. 14 years she worked as a practicing physician, therapist, coach and supervisor, and also as an assistant lecturer at the Clinical psychology at the University of Cologne. From 2012 to 2018, she was head of human resources and executive development at Deutsche Bahn. As Head of Human Resources Group Executives KFK, OFK 1 in the Strategy Division of Deutsche Bahn is she responsible for the support and development of top executives. Prior to that, from 2006 to 2012, she was with Rewe Group as head of HR and executive development from 2006 to 2012. She built up PE Holding and was significantly involved in the development of the HRD strategy. She also built up the Executive Development department and the Rewe Campus. From 1992 to 2006 she worked in her own practice and as a docent. In addition, she is a co-founding member of the RHAP state training institute for psychologists and medical professionals.	Konrad Miterski graduated from the University of Economy in Katowice in 1996 with a degree in banking and finance and Advanced Management Program organized by IESE Business School. He started his career at ING Bank Śląski with positions in corporate and risk departments. In 2013 he joined Ferrum SA, steel pipes producer, where he became CEO. Since 2020, he has been Vice President and CFO of Herkules SA, one of the largest entities in Central and Eastern Europe, providing services in the field of crane rental. He is the independent member of the Supervisory Boards and audit committees in several companies listed on the Warsaw Stock Exchange including PBKM SA, where he was appointed as Vice Chairman of the Supervisory Board in 2017.	Paul Owsianowski is Partner of Active Ownership Capital S.à r.l and Active Ownership Corporation S.à r.l. (AOC). He has more than 10 years of investment experience and has held different board seats during this time. Mr Owsianowski holds a Master degree in Financial Mathematics (distinction) from Durham University and a German Diploma in International Business from Berlin School of Economics and Law. He started his career with Evercore's M&A team in London where he worked on a variety of transactions as well as strategic advisory mandates, mostly in the healthcare and technology space. He then joined a London-based technology-focused private equity fund as part of the founding team where he was involved in a number of transactions in the IT services and software space. Mr Owsianowski is part of AOC since 2017.

The Supervisory Board, through its interdisciplinary Audit Committee, is responsible for risk monitoring. For this purpose, the Supervisory Board receives periodic information from the Management Board regarding all issues related to the Risk Management System that are relevant to the Group. In turn, the Management Board, elected by Supervisory Board by mandate, bears overall responsibility for an effective Risk Management System **[GOV-1_08; §22a| GOV-1_12; §22c ii]**.

The role of each individual and/or group of individuals responsible for the Risk Management System is described in the FamiCord Procedure on the organization, roles and responsibilities in Risk Management System **[GOV-1_09; §22b]**. Within the Group Management Board, the CFO is responsible for the Risk Management System, for organizing risk management within the Group, including internal monitoring processes and proposing the Group Risk Management Officer. The CFO is also responsible for overseeing sustainability-related risks and opportunities **[GOV-1_08; §22a, GOV-1_10; §22c]**. The Group Risk Management Officer holds executive authority over the risk management system, reporting directly to the Management Board. This individual, along with the Group Risk Management Team, gathers information about the Group risks through the risk owners in each of the Group companies, guarantees the implementation of the risk management procedures and works together with the CFO who oversees the entire Risk Management System **[GOV-1_11; §22c i]**.

FamiCord's procedure regarding the organization, roles, and responsibilities within the risk management system is implemented across all Group companies, with General Managers ensuring its proper execution, including appointing those responsible for identifying impacts, risks, and opportunities in each area of activity. As Risk Owners, the General Managers update this information biannually on the Group's Risk management platform, which is managed by the Group Risk Management Officer and periodically monitored by the Management Board **[GOV-1_13; §22c iii]**. On a monthly basis, the Management Board meets with the General Managers to monitor the overall performance of the Group, including the targets set for each company and the most relevant aspects of impacts, risks, and opportunities **[GOV-1_14; §22d]**.

Currently, there are no internal guidelines to determine the necessary sustainability skills and expertise for FamiCord Group. The CFO and member of the Management Board is actively participating and engaged in all the meetings and workshops done with the external advisors on sustainability matters as a process for the development of the main skills **[GOV-1_15; §23]**.

The Management Board, responsible for executing the strategy and overseeing integration of sustainability matters in the daily operations, relies on internal expertise as well as on the support of external advisors on sustainability. In September 2024, two members of the Management Board participated in a dedicated training session to have a better understanding about the expectations regarding the implementation of the ESRS standards and the compliance with the CSRD directive within the European Union countries **[GOV-1_16; §23a]**. The different members of the Management Board have different skills and different areas of expertise in such a way that they complement each other in the capacity of identifying and managing material impacts, risks and opportunities, namely in what relates to social and governance dimensions across the value chain. In terms of environmental dimension, the Management Board relies on the expertise of external advisors **[GOV-1_17; §23b]**.

Alongside their risk-related functions, both the Supervisory Board and the Management Board operate under established Rules of Procedure and oversee the Group's Code of Conduct. The Supervisory Board includes three committees – Audit, Personnel, and Remuneration – with their roles detailed in the Rules of Procedure available on the FamiCord Investor Relations website **[G1.GOV-1_02; §5b]**. The Management Board is also responsible for business conduct, approving the internal Code of Conduct, and managing the Group's impacts, risks, and opportunities **[G1.GOV-1_01; §5a]**. General Managers of each company ensure compliance, identify and report risks, and maintain direct communication with the Management Board through monthly and exceptional meetings as needed **[GOV-1_12; §22c ii]**.

INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES (GOV-2)

At FamiCord there is still no regular and systematic procedure for informing the Management Board of all the sustainability matters on a regular basis. During this reporting period, the Management Board participated in the identification of the material impacts, risks and opportunities related to sustainability topics, after being duly informed by the Sustainability Team about the list of material topics, as well as the gap analysis and the necessary actions to be developed for full compliance with the European Sustainability Standards, through dedicated meetings **[GOV-2_01; §26a | GOV-2_03; §26c]**.

The identified sustainability material impacts, risks, and opportunities are planned to be integrated into the existing Risk Management System in 2025, ensuring they are monitored on a more detailed level by the General Managers in each company of FamiCord Group, that are responsible for reporting according to the existing Risk Management System during the monthly meetings with the Management Board **[GOV-2_02; §26b, GOV-2_04; AR6]**. Similarly, the integration of material topics into the Group's strategy and the definition of specific targets will be established throughout 2025 **[GOV-2_03; §26c]**.

INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE INCENTIVE SCHEMES (GOV-3)

Currently, FamiCord Group does not have sustainability-related performance incentive schemes applicable to members of the administrative, management and supervisory bodies.

STATEMENT ON DUE DILIGENCE (GOV-4)

For information on the statement on due diligence, please refer to the ESRS correspondence tables (Table 4) in the appendices.

RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING (GOV-5)

The 2024 risk assessment did not identify any material risks related to FamiCord's business model, business relations, products, or services that are highly likely to occur and that have or will have a severe adverse impact on the reportable aspects. Nonetheless, a lack of internal knowledge on sustainability matters has been recognized by FamiCord and to address this, the Group is counting on external support and performing training sessions with key individuals **[GOV-5_03; §36c]**.

STRATEGY

STRATEGY, BUSINESS MODEL AND VALUE CHAIN (SBM-1)

Key elements of the Organisation's general strategy that relate to or affect sustainability matters

The core business of the FamiCord Group is the cryopreservation of stem cells from perinatal tissues, for clinical applications when stem cell treatment is needed. In this area of activity, the Group provides expectant parents with the possibility of storing, for long periods of time, the umbilical cord blood and umbilical cord tissue samples collected at the birth of the child. During 2024, the FamiCord Group started offering in Poland, Romania and Italy placental tissue, which is an additional rich source of mesenchymal stem cells with significant potential in regenerative medicine **[SBM-1_01; §40a i]**. Roll-out of placenta banking is an effect of very positive acceptance of this service in pilot countries of Switzerland and Gulf Cooperation Council (GCC) region.

In addition to the cryopreservation services, the FamiCord Group also offers to the customers other services to support future treatments, such as transplant assistance plans, as well as diagnostic platforms, specifically in genetic testing and others **[SBM-1_01; §40a i]**.

In the Hungarian market, the Group holds a leading position in the field of sperm banking, offering these services not only for autologous purposes, meaning for the sole use of the owner of the gametes, but also from donations for distribution to clinics performing fertilization treatments **[SBM-1_01; §40a i]**.

The FamiCord Group is also very focused on bringing new stem cell therapies to the market, dedicating small part of its activity to research and development, as well as manufacturing of drugs for cell and gene-based therapies. Some of the therapies developed within the FamiCord Group are being applied in patients under experimental treatment regulated procedures, such as clinical trials and hospital exemption procedures **[SBM-1_01; §40a i]**.

The FamiCord Group is represented, as a stem cells bank, in 34 countries across Europe and the Middle East, either directly or through partners. The Group holds 15 laboratories in 11 countries, aiming to provide a service of proximity and deliver the best quality possible for its customers and end-users. In the end of 2023, the Group opened a new laboratory in the Middle East, in Dubai, tobetter serve the local population, not only through the storage of stem cells for future treatments, but also through the support given to the health care community in the development of advanced stem cell therapies **[SBM-1_02; §40a ii]**.

By the end of 2024, the Group had 771 employees, mostly in geographical areas of Poland, Germany, Portugal, Spain and Hungary **[SBM-1_04; §40a iii]**.

Headcount of employees by geographical areas [SBM-1_04; §40a iii]	**2024**
Total employees	**771**
Poland	249
Germany (excluding Eticur)	131
Portugal	97
Spain	65
Hungary	50
Others	179

Business model and value chain

FamiCord focuses on the collection, preparation and storage of umbilical cord blood and umbilical cord tissue, as well as other perinatal tissues, for stem cell treatments across the World. The stem cells that the Group distributes and/or manufactures are used in medical treatments that may be either a standard therapy or an advanced therapy still under development in clinical trials. Furthermore, the Group provides diagnostic tools and is developing a new business area as a Contract Development & Manufacturing Organization (CDMO), which will lead the Group to become a reference partner for healthcare professionals and organizations in the development of their own treatments and therapeutic products in the field of cell and gene therapy **[SBM-1_25; §42]**. Further information on the business model can be found in Fundamentals of the Company and the Group, section Business model, of the Combined Management Report.

The inputs for the Group's activity are mainly the samples that are collected at the birth of the child. For this the Group needs to engage with the best practices available for the safe collection of the samples and with the necessary quality. Hospitals performing the delivery of the babies are the Group's partners in guaranteeing this important input, being one of the relevant stakeholders with whom FamiCord engages periodically. Also, for the services provided by the Group, it is necessary to guarantee quality materials and reagents from its suppliers, as well as quality supporting services from its subcontractors. Extremely relevant for FamiCord's operations are also its business partners, who engage directly with the parents and the collection sites in some countries where the FamiCord Group is not directly present, providing FamiCord's laboratory services to these families **[SBM-1_26; §42a]**.

The main outcome of FamiCord's activity is the treatments performed with the products that are stored and/or manufactured by the Group. This is the main goal of storing the cells and tissues collected at birth and the ultimate benefit for its customers and for the health care professionals treating their own patients. By providing access to an increased number of stem cell treatments and developing new business areas, namely in the field of CDMO activity, FamiCord is increasing the value proposition for other stakeholders such as its shareholders, suppliers and investors **[SBM-1_27; §42b]**.

To achieve its goals, FamiCord counts on different stakeholders in its value chain **[SBM-1_25; §42 | SBM-1_28; §42c]**:

- **Upstream Value Chain:** Suppliers of material and reagents for laboratory procedures; hospitals performing the collection of the biological samples; donors of biological material; logistics companies transporting the biological samples from the collection site to the Group's laboratories; subcontractors supporting its operations, such as IT providers, organizations developing clinical trials and research institutions **[SBM-1_25; §42 | SBM-1_28; §42c]**.

- **Own Operations:** FamiCord's employees; workers from its suppliers and/or subcontractors; FamiCord´s shareholders, the Supervisory Board and the Management Board. Within its own operations FamiCord receives the biological materials collected at birth, tests and processes them according to the quality standards established for each type of cells and tissues, stores the products obtained for therapeutic use in cryopreservation containers and finally distributes them for treatment when the need arises. The Group also counts on its scientific, medical, customer care and marketing teams, to deliver the most reliable, clear and complete information about stem cells, either to the future parents and to the healthcare professionals performing the collection and also those performing the application of the stem cells **[SBM-1_25; §42 I SBM-1_28; §42c]**.

- **Downstream Value Chain:** FamiCord's clients, namely the parents or legal guardians of the children from whom the biological samples were collected; the users of the distributed stem cells, who may be the donor of the cells and tissues or a compatible person, usually family related; suppliers and subcontractors, namely those involved with resources outflow procedures, the clinics and hospitals performing the stem cell treatments and the logistics companies transporting the biological material from the Group's laboratories to the treatment center **[SBM-1_25; §42 I SBM-1_28; §42c].**

Sustainability-related information

FamiCord aims to empower families and healthcare professionals with secure, accessible and advanced healthcare solutions, enhancing the health and quality of life of its customers. The trust and credibility that FamiCord has built over the years is one of FamiCord Group's main values and, for that, it has professionals dedicated to collecting and providing reliable scientific information about its products and services. The Group is actively partnering with the scientific and medical fields to enlarge the available treatment options for its customers **[SBM-1_21; §40e I SBM-1_22; §40 f]**.

FamiCord is proud to have achieved, in 2024, the storage of more than 1 million cord blood units and other biological material and have provided stem cells (or ATMP based on stem-cells) for the treatment of over 7,500 patients. To ensure the best possible quality in its products and services, FamiCord operates 15 own laboratories in 11 different countries. All its laboratories operate according to the quality standards for its activities, with international accreditation certificates for cells and tissues storage and/or manufacturing of stem cell-based medicines in 7 of its facilities **[SBM-1_21; §40e I SBM-1_22; §40 f]**.

Within its mission of providing accessible healthcare solutions to families, FamiCord managed to implement, in Poland, through its central laboratory in Warsaw, an approved experimental therapy using autologous cord blood for children with cerebral palsy and autism. This will make this option available in Europe in a more affordable way and with less effort for families that would normally need to travel to other continents, such as North America **[SBM-1_21; §40e I SBM-1_22; §40 f]**.

All these achievements are possible thanks to a strong, resilient and committed team, as the Group's employees are at the base of FamiCord's strategy. FamiCord Group has a team of more than 700 professionals who are committed and motivated with FamiCord's purpose, working daily to make it possible **[SBM-1_21; §40e I SBM-1_22; §40 f]**.

At FamiCord, the value of its employees and what they enable the Group to achieve is recognized by promoting a culture of mutual respect and dialogue. Within the Group's companies, the level of employee satisfaction is monitored and the growth of those who stand out within the teams is promoted. The Group promotes its employees' well-being through dedicated initiatives such as flexible working hours, sports and physical exercise, medical appointments, health insurance, and group meetings **[SBM-1_21; §40e I SBM-1_22; §40 f]**.

The main challenge for the FamiCord Group is to increase the use of the stored cells and tissues, delivering more treatment options, enhancing the lives of more and more families and thereby increasing the Group's value for its several stakeholders. At the same time, the Group aims to provide its services in an accessible way, increasing the number of families with additional treatment opportunities while avoiding additional and unnecessary negative impacts on the environment. To achieve this, the Group aims to establish a sustainability agenda and roadmap for the coming years, applicable across all its companies, using 2024 status as a starting point **[SBM-1_23; §40g]**.

Revenues

In 2024, the Group generated total revenues amounting to EUR 82.2 million **[SBM-1_06; §40b]**. The Group has no revenue from the fossil fuel sector **[SBM-1_09, §40d i]**, chemicals production **[SBM-1_15, §40d ii]**, controversial weapons **[SBM-1_17, §40d iii]** or cultivation and production of tobacco **[SBM-1_19, §40d iv]**.

Revenues **[SBM-1_06; §40b]**	**2024**
Total revenue (EUR thousand)	82,184

The following information is incorporated by reference to other parts of the Combined management report:

- Business model: ESRS 2 SBM-1, §42 – Fundamentals of the Company and the Group, section Business model.

Interests and views of stakeholders (SBM-2)

The FamiCord Group interacts with several stakeholder groups, both internal and external. The perspectives, needs and expectations of its stakeholders are highly relevant to the Group, as they may affect its activities either positively or negatively. It is of utmost importance for FamiCord to be trusted by its stakeholders, especially given the sensitive nature of its field of operation – the health sector **[SBM-2_01; §45a]**.

As a result of the stakeholder mapping exercise carried out during the Double Materiality Assessment (DMA) conducted in 2024, twelve stakeholder groups were identified: Employees, Customers, Healthcare Community, Shareholder, Regulatory Organizations, Financial Institutions, Partners, Suppliers & Subcontractors, Management Board, Supervisory Board, Multipliers and General Society (which includes local communities) **[SBM-2_03; §45a i]**.

In this analysis, the Group aimed to reassess, rename, and/or identify new stakeholder groups, incorporating contributions from a core Sustainability team comprising members from different FamiCord Group companies. This internal discussion also led to the identification of differentiated levels of relevance among the stakeholder groups, with the employees, customers, the healthcare community and shareholders being recognized as key stakeholders. These key groups represent those in which FamiCord concentrates its efforts and engages more actively and closely.

The communication and engagement methods vary depending on the stakeholder group. FamiCord Group strives to ensure that the channels used, as well as their frequency, are appropriate to meet both the Group's needs and those of its stakeholders **[SBM-2_01; §45a]**.

With each key stakeholder group, FamiCord interacts periodically to share information about its activities and to receive feedback from diverse perspectives. This ability to gather feedback and gain insight into how stakeholders perceive the Group is essential for improving its services and products, better addressing the needs of customers, delivering expected value to shareholders and the healthcare community, and, most importantly, fostering a strong, positive, and innovative corporate culture. This culture aims to ensure that employees feel engaged with FamiCord's purpose and are motivated to grow alongside the Group **[SBM-2_01; §45a | SBM-2_02; §45a i | SBM-2_03; §45a ii]**.

During the engagement process conducted as part of the DMA, both internal and external stakeholders were involved. Stakeholders' perspectives on the sustainability topics deemed relevant for FamiCord were assessed through an online questionnaire, while workshops involving internal subject matter experts within the Group were held to assess the impacts, risks and opportunities (IRO) identified within each of FamiCord's sustainability topics. The questionnaire responses served as informative input, allowing the Group to validate whether its material IRO align with stakeholders' views and expectations **[SBM-2_07; §45b]**.

The results from the internal workshops and from the stakeholders' questionnaire were shared with FamiCord's Management Board via email and through a dedicated meeting between the Management Board members and the Sustainability team **[SBM-2_12; §45d]**.

Stakeholder group	**How engagement is organized** **[SBM-2_04; §45a iii]**	**Purpose of stakeholder engagement** **[SBM-2_05; §45a iv]**	**How outcome of stakeholder engagement is taken into account by the Organization** **[SBM-2_06; §45a v]**
Employees	Engagement with employees occurs across the Group, within each of the Group's companies, through several different initiatives. One of the main engagement initiatives aimed at assessing employees' needs and views, which is consistently implemented across all FamiCord Group companies, is the annual satisfaction questionnaire. Besides this formal engagement moment, engagement with this group includes: – Newsletters – Periodic meetings (e.g. townhall meetings, feedback meetings and team building activities, depending on the companies/departments) The Group also has a whistleblowing channel, and, at its headquarters, there is a workers council who meet periodically with the FamiCord Management Board.	Proper engagement with employees is highly relevant for FamiCord, as they provide valuable insights into daily operations and offer improvement suggestions. This group of stakeholders has significant interest and influence over the Group's activities and is critical to the successful implementation of its strategy and the achievement of its goals.	Besides the regular meetings with the workers council at FamiCord AG, the annual satisfaction questionnaire results are shared with the FamiCord Management Board, which is responsible for establishing targets regarding global satisfaction and defining necessary measures for improvement, either globally or locally in a specific geography. The employee satisfaction target is one of the performance indicators shared across all companies within the Group and may influence the bonuses of general managers.

Stakeholder group	How engagement is organized	Purpose of stakeholder engagement	How outcome of stakeholder engagement is taken into account by the Organization
	[SBM-2_04; §45a iii]	**[SBM-2_05; §45a iv]**	**[SBM-2_06; §45a v]**
Customers	Within this group, different sub-groups are included: **Potential clients**, referring to prospective parents that could benefit from the storage of the stem cells collected at the birth of their child. For this group, the ways of engaging are: – Digital channels – Events for pregnant women – Outbound contacts – Articles/publicity in Media – Hospitals/Birth Preparation Centers **Clients of the cryopreservation service**, referring to parents/legal guardians who decided to store their child's stem cells collected at birth and for that celebrated a storage contract with FamiCord. For this group, engagement is carried out in the following ways: – Digital channels – Newsletter for clients – Phone calls – Article/publicity in Media – Client satisfaction questionnaire **Recipients of the stored stem cells**, referring to end-users of the therapeutic products stored and/or manufactured by FamiCord. In this case, engagement is primarily related to the treatment and the several moments of interaction with the patient or his representative, before and after treatment through the company's Patient Navigator (when available), and/or the customer service and the medical director. Engagement methods may include phone calls, emails and in-person meetings.	Regarding the potential clients, this group is usually the first point of contact for the company has regarding its services and products. The prospective parents may have never heard about the possibility of storing their child's stem cells and need to be educated about it, or they may have already been informed and are in the process of making a decision and choosing the stem cells bank to provide the service. It is important for FamiCord to understand the views and perspectives of the new generations, especially regarding sustainability matters, as these generations tend to be more sensitive to such topics. The clients of the cryopreservation service represent a group with high level of interest and influence in FamiCord's activity. They have already interacted with the company in several moments, may have complaints, suggestions or compliments and can potentially become FamiCord's ambassadors and advocates for family and friends. Therefore, it is of extreme importance for FamiCord to engage periodically with this group of stakeholders, not only to assess their satisfaction and needs, but also to keep them informed about the sector and the Group's achievements. Finally, in terms of the end-users of the products, this group is the most critical and sensitive. They have experienced all stages of the service and may have additional perspectives and inputs about it. Moreover, and most importantly, they are the reason for FamiCord's existence. FamiCord works every day to improve the life of people in need of a stem cell treatment and interactions with these stakeholders may occur in life-saving moments, making it crucial to understand how FamiCord's activities are impacting them.	The outcomes of the several points of interaction with these stakeholders are shared periodically through meetings between the commercial teams and the general managers in each company. The general managers are responsible for sharing these outcomes with the management team, especially if there are deviations that may pose a risk to the company, or, conversely, improvements that constitute an opportunity. In terms of client satisfaction, this is a performance indicator evaluated through NPS (Net Promoter Score), both pre- and post-sales, across the Group. It is evaluated quarterly, and the results are shared by each company with the Management Board in the monthly KPI follow-up meetings. In the case of complaints, they are managed by each general manager in the respective companies and shared with FamiCord Management Board in case of a larger risk or deviation with significant impact on the Group's activity and/or reputation.

Stakeholder group	How engagement is organized [SBM-2_04; §45a iii]	Purpose of stakeholder engagement [SBM-2_05; §45a iv]	How outcome of stakeholder engagement is taken into account by the Organization [SBM-2_06; §45a v]
Share-holders	Engagement with shareholders is promoted by the Management Board and Supervisory Board of FamiCord, particularly during: – Regular management meetings – General assembly of shareholders.	This group has high interest, power, and influence in FamiCord's activities and they need to be kept informed about the Group's performance and strategy.	The Management Board of FamiCord is responsible for integrating any changes or decisions resulting from interactions with shareholders into the Group's strategy and procedures.
Healthcare Community	**Hospitals** – Training sessions on samples collection – Regular visits to the main hospitals – Celebration of agreements for samples collection – Semi-annual communication of collection results **Clinical centers** – Contacts in case of treatment of a client – Celebration of agreements **Healthcare professionals** – Newsletter – Regular visits to doctors and midwives – Annual event for midwives – Presence in congresses with booths and/or talks	– FamiCord's activity depends on the collection sites – Stakeholders in this group have low interest but high influence capacity – Clinical centers must feel confidence over the products FamiCord may supply to them – Advocates are important to keep engaged and satisfied – Opponents may get different perspec-tives from FamiCord's activity – Both have a certain degree of influence and may have little to no interest	The information collected from these stakeholders is brought into the Group and shared with the general managers in each company. The outcomes of these interactions may lead to changes and improve-ments in internal procedures.
Regulatory Organiza-tions	**Legislators:** – Authorizations/Licenses requests – Inspections – Reply to notifications – Annual activity reports (if applicable) **Certification bodies:** – Annual audits – Reply to audits reports/ document requests	The legislators are considered a group of stakeholders with high power and influence, but low interest in the Group's activities. It is crucial for FamiCord to understand their perspectives and expectations. The certification bodies are focused on ensuring compliance with the highest quality standards, which aligns with FamiCord's interests.	The outcomes of the interactions with both legislators and certifica-tion bodies, particularly the outcomes of inspections and audits, are analyzed within the Group's quality management system, contributing to continuous improvement of products and services.
Financial Institutions	**Banks:** – Bank accounts management – Annual financial report – Semi-annual balance sheet (if applicable) – Loans negotiation **Insurance institutions:** – Insurance negotiation – Risk evaluation – Reporting events	Financial institutions, in general, are interested in having their clients compliant with ESG and the FamiCord Group is interested in being well rated.	Receiving feedback and partnering with these institutions may allow FamiCord to improve its own corporate management systems, but also to make investments that create value for the future for different stakeholders.

Stakeholder group	How engagement is organized [SBM-2_04; §45a iii]	Purpose of stakeholder engagement [SBM-2_05; §45a iv]	How outcome of stakeholder engagement is taken into account by the Organization [SBM-2_06; §45a v]
Partners	**Commercial Partners:** – Visits to partners – Training of partners' personnel – Sharing information related to sales performance **Trading Partners:** – Contracts – Training – Reports on the services provided – Visits to partners and/or visits from partners to the company **Research Institutions & Scientific Institutes:** – Establishing partnerships – Developing projects – Reporting conclusions	The commercial partners of FamiCord, as representatives of the brand, must be aligned and engaged with all specifications of the products and services provided by FamiCord, being interested in improving their own performance. Trading partners are interested in contracting quality service and quality products from FamiCord to better serve their own customers. On the other hand, FamiCord is interested in keeping these B2B clients satisfied. Research and Scientific institutions are interested in developing their own R&D projects and they support FamiCord on its own mission to increase access to stem cells treatments.	Feedback from commercial partners helps FamiCord to understand the expectations and perceptions of families who may become customers of FamiCord's products and services, contributing to continuous improvement. Trading partners challenge FamiCord to enhance its value proposition through new and/or improved services and products and contribute to expanding FamiCord's presence both within and outside Europe. Similarly, research partners help increase FamiCord's value proposition through the development of innovative products in the field of cell and gene therapy.
Suppliers & Subcontractors	– Contracts/Orders – Supplier qualification and delivery evaluation – Annual communication of supplier performance	This group has interest and influence capacity over FamiCord's activity and business continuity. Moreover, they will have to cooperate with FamiCord to ensure compliance with ESG requirements.	Suppliers and subcontractors play a crucial role in the company's activities, both upstream and downstream in the value chain. The careful selection of suppliers, along with close engagement with these stakeholders, is key for delivering quality products and services, as well as ensuring the continuity of operations.
Management Board	– Monthly follow-up meetings – Annual townhall meetings – Emails with relevant information – Newsletters	This group of stakeholders has high interest and power over the companies' activity. They must be kept informed, as they are responsible for the decision-making process.	Besides the FamiCord Management Board, most of the subsidiaries have a board of directors working alongside the Management Board to deliver the best value for different stakeholders and to comply with their expectations. Effective engagement between these bodies and FamiCord's stakeholders leads to better decisions and creates more positive impacts and opportunities.

Stakeholder group	How engagement is organized [SBM-2_04; §45a iii]	Purpose of stakeholder engagement [SBM-2_05; §45a iv]	How outcome of stakeholder engagement is taken into account by the Organization [SBM-2_06; §45a v]
Supervisory Board	– Regular meetings with the Management Board to review the company's development and important decisions. – Exchange of information via calls, video-calls and e-mails.	This group of stakeholders has high interest and power over the companies' activity. They must be kept informed and supervise the activities.	The Supervisory Board engages with the Management Board and with external stakeholders such as investors, financial institutions and the media. The Supervisory Board, including the Audit Committee and the Remuneration Committee, monitors the management and ensures that the strategy and financial performance are in line with the interests of the shareholders. They are the ultimate responsible for compliance and decision-making processes.
Multipliers	**Media:** – Press releases – Publicity – Interviews/articles – Presence on TV/radio **Analysts:** – Conference calls – One-on-one meetings	The Media has the capacity to influence FamiCord's activity and brand reputation and is interested in following ESG topics within their country. Analysts may influence FamiCord's compliance goals and help the Group achieve a high corporate rating.	FamiCord views these stakeholders as a voice to the outside, providing indirect representation. These are indirect vehicles for communicating FamiCord's activities and achievements.
General Society (including local communi-ties)	**Local Communities:** – Digital channels – Emails with relevant information – Social responsibility projects in the community – Presence at local events **NGOs (Patients and Industry Associations):** – Annual society meetings – Congresses – Newsletters	Local communities have interest and expectations regarding compliance with EGS and the impact of the Group's activity locally. NGOs may act as advocates or opponents with varying degrees of influence over the Group's activity.	Interacting with these stakeholders periodically enables FamiCord to better understand the needs and expectations of the communities it integrates and also to share how its activity can positively impact society.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (SBM-3)

In 2023, the FamiCord Group conducted its first DMA in accordance with the CSR-RUG directive. In 2024, in preparation for the upcoming CSRD reporting obligations and in orientation to the European Sustainability Reporting Standards (ESRS), the previous DMA was revised and redone. This process incorporated insights from the 2023 exercise, as well as benchmarking analyses and stakeholders' views and perspectives on sustainability topics, gathered through questionnaires and internal workshops. While most of the sustainability topics identified as material in 2023 remained material in 2024, the two assessments are not fully comparable. As a result, the Group considers 2024 the first year of FamiCord's implementation of the DMA under the CSRD **[SBM-3_11; §48g]**.

As a result of the 2024 DMA, a total of 48 material Impacts, Risks and Opportunities (IRO) were identified and consolidated into 15 material topics, as outlined in the following table. These topics are categorized by ESG area (environmental, social and governance) and assigned to the respective materiality dimension based on the final assessment.

Results of the Double Materiality Assessment [SBM-3_12; §48h]

Impact materiality	Financial materiality	Double materiality
Diversity, equity, and inclusion (S1)	Waste management (E5)	Climate change and energy efficiency (E1)
Social responsibility and community engagement (S3/S4)	IT security and data protection (S1)	Resources inflow and consumption (E5)
Ethics, integrity, and compliance (G1)		Labor practices, employee compensation and benefits (S1)
		Health, safety, and well-being (S1)
		Training and skills development (S1)
		IT security and data protection (S4)
		Service quality and customer satisfaction (S4)
		Customers and patients' safety and health (S4)
		Business conduct (G1)
		Relationship with suppliers (G1)
		Research and development*

Teal	Environmental topic
Yellow	Social topic
Blue	Governance topic

Legend: **ESRS Topical Standards:** E1 - Climate Change; E5 - Resource Use and Circular Economy; S1 - Own Workforce; S2 - Workers in the Value Chain; S3 - Affected Communities; G1 - Business Conduct
* Entity-specific disclosures

Material impacts

After completing the 2024 DMA (see section IRO-1), the FamiCord Group ended up with a list of 24 material impacts, which are further detailed throughout the non-financial statements under the corresponding topical standards. Most of the material impacts are located in the Group's own operations and affect all geographies, though several also occur downstream in the value chain due to the nature of the Group's activities **[SBM-3_01; §48a | SBM-3_07; §48c iv]**.

FamiCord provides services and therapeutic products aimed at improving the life and health conditions of the people who may benefit from stem cell treatments. Additionally, the Group focuses on enabling healthcare professionals to access advanced therapeutic products in a more affordable and sustainable way. These activities may generate both positive and negative impacts, particularly in areas such as consumer and end-user health and safety, IT security and data protection – given the sensitive personal data processed –, social responsibility and community engagement, ethics and integrity, research and development and several impacts related to FamiCord Group's employees. Regarding environmental impacts, the most significant are related to CO_2 emissions and resource consumption **[SBM-3_01; §48a | SBM-3_04; §48c i]**.

The material impacts identified are fully aligned with the Group's business model and strategy. In the laboratories of the FamiCord Group, therapeutic products for cell and gene therapies are prepared, tested, stored and manufactured. These products are released and distributed upon request to hospitals and clinics that perform these treatments. To achieve its vision and execute the strategy behind it, the Group prioritizes the well-being, training and safety of its employees, as they are fundamental to overcome the negative impacts and leverage on the positive ones. Additionally, the Group is committed to improving the health and safety of its consumers and end-users when they access its services and products. It also fosters a strong corporate culture based on ethics and integrity throughout its operations. Innovation is also a strategic pillar for the Group, so it has a dedicated research and development (R&D) activity to improve and develop its own products and methodologies. Furthermore, the Group aims to be a partner to other organizations, leveraging its internal capacities to support them in launching new and innovative therapies through its CDMO activities **[SBM-3_05; §48c ii]**.

Material risks and opportunities

In terms of material risks and opportunities, the outcome of the DMA resulted in 14 risks and 10 opportunities. Of these 24, only 5 are related to the environment, while 11 are related to social dimension, which is not surprising, as the Group's activities are more influenced by the social dimension than by the environmental one. Within the social dimension, most of the risks and opportunities relate to the Group's own workforce. From the governance dimension, 8 risks and opportunities were identified as material, with 3 of them related to the entity-specific topic of research and development. The majority of the risks and opportunities are financial, with reputational risks and opportunities coming second in terms of magnitude. The material risks and opportunities are further detailed throughout the non-financial statements under the corresponding topical standards **[SBM-3_02; §48a]**.

Effects of material impacts, risks and opportunities on business model, strategy and value chain

In the short-term, the operations are not being affected by the material IRO identified during the DMA exercise, as they are aligned with the Group's business model and strategy. These IRO have already been addressed and awareness has been raised among the Management Board of FamiCord regarding them. However, the Group plans to develop in 2025 a strategy designed to mitigate impacts and risks, as well as to take advantage of the opportunities identified **[SBM-3_03; §48b | SBM-3_10; §48f]**.

Financial effects of material risks and opportunities

The Group has not yet established a direct link between the material risks and opportunities identified and the financial statements **[SBM-3_08; §48d]**.

The following information is incorporated by reference to other parts of the non-financial statements, specifically the sections of the topical standards:

- Description of the material IRO resulting from the materiality assessment: ESRS 2, §48 a.
- Expected time horizons of material impacts: ESRS 2, §48 c iii.
- Specification of the impacts, risks and opportunities covered by ESRS Disclosure Requirements: ESRS 2, §48 h.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)

As previously explained (see section SBM-3), a first DMA process was conducted in 2023. However, since this exercise was carried out in accordance with the CSR-RUG directive, as part of the Group's preparation for this year's non-financial statements, a new DMA process was conducted in 2024, in line with the CSRD requirements and EFRAG's Implementation Guidance – Materiality Analysis **[IRO-1_15; §53h]**.

The 2024 DMA process comprised three main stages: A. Understanding the context; B. Identification of IRO and assessment; and C. Determination of material IRO. Various forms of stakeholder engagement, both internal and external, were integrated throughout each stage of the process **[IRO-1_01; §53a | IRO-1_02; §53b | IRO-1_05; §53b iii | IRO-1_07; §53c]**.

The DMA covered all ESRS standards, using the same methodology and criteria to determine, identify, and assess the IRO within each topical standard.

A. Understanding the context

FamiCord's activities and business model

To understand the context of FamiCord, the following key elements were considered:

- FamiCord's business model;
- The activities, products/services, and geographies in which FamiCord operates;
- FamiCord's relevant legal and regulatory framework;
- FamiCord's value chain, including nature and type of business relationships.

In addition to the internal analysis, global trends and industry benchmarking were utilized to further understand FamiCord's context. Additionally, several meetings were held with FamiCord's sustainability team and internal experts to enrich the analysis.

Knowledge of the Group's activities and value chain enabled the identification of impacts across its own operations, as well as its upstream and downstream value chain, considering not only the Group's activities but also its business relationships in all geographies **[IRO-1_03; §53b i | IRO-1_04; §53b ii]**.

Stakeholder mapping

As part of the context analysis, a stakeholder mapping exercise was also conducted with the FamiCord sustainability team to review and prioritize FamiCord's stakeholder groups. The starting point for this mapping exercise was the stakeholder groups identified in the Group's 2023 Annual Report. Throughout the process, it was ensured that **[IRO-1_05; §53b iii]**:

- The most relevant stakeholders were identified and later included in the engagement process;
- The engagement would encompass a diversity of perspectives provided by different stakeholder groups;
- The prioritization of stakeholder groups was aligned with the current reality of FamiCord.

B. Identification of Impacts, Risks and Opportunities

The identification of IRO began with the selection of the most relevant sustainability topics for FamiCord, conducted in collaboration with its sustainability team. The evaluation of each topic's relevance was based on a comprehensive understanding of FamiCord's context, including its activities, business model, and the results from the 2023 DMA exercise **[IRO-1_14; §53g]**.

The topics associated with the ESRS topical standards served as the starting point but were not the only source of information. The relevant sustainability topics were identified from three main sources **[IRO-1_14; §53g]**:

- ESRS Standards (ESRS 1 – AR16, considering the full list of topics, sub-topics, and sub-sub-topics);
- Benchmarking analysis of peer companies;
- FamiCord's previous DMA.

Following the identification of the most relevant sustainability topics (19 topics), the respective IRO across FamiCord's own operations and value chain were identified. In addition to the sources of information listed above, inputs from FamiCord's sustainability team and subject matter experts who participated in the validation and IRO's assessment workshops were also considered **[IRO-1_14; §53g]**.

The impacts, dependencies, and relationships within the value chain were analyzed as potential sources of risks and opportunities **[IRO-1_08; §53c i]**.

As a result of this stage, 54 impacts, 39 risks, and 15 opportunities were identified as of 108, forming the basis for further assessment and analysis in subsequent steps.

C. Assessment and determination of material Impacts, Risks and Opportunities

Stakeholder engagement

During this stage, both internal and external stakeholders were involved. The consultation process considered the representativeness of different companies within the Group and the various geographies where FamiCord operates. Two types of engagement were conducted **[IRO-1_05; §53b iii]**:

- An online questionnaire was widely distributed to relevant internal and external stakeholders to evaluate the relevance of each topic based on their perception of FamiCord's potential impacts in the environment and society – this was done at the topic level.

- Internal workshops were held to assess the impact and financial materiality of the IRO previously identified within each sustainability topic – this was done at the IRO level.

The questionnaires were sent to selected stakeholders based on criteria defined during the stakeholder mapping. The results were used as an additional source of qualitative information for the materiality assessment.

For the internal workshops (conducted online), internal experts from different areas within the Group companies were involved to provide insights and assess the materiality of the IRO. Each participant had the opportunity to discuss and make a qualitative assessment of each IRO, in group, followed by an individual quantitative assessment.

After these workshops have been conducted, and following recommendations from the external verifier, identified IRO were reviewed by the project team and reassessed by subject matter experts, based on updated criteria. When more than one expert was involved in the assessment of IRO for a specific topic, their evaluations were discussed and agreed among them to ensure that the representativeness and knowledge of all experts involved were considered. The results were then calibrated and validated by FamiCord's sustainability team.

In total, 28 internal experts participated in the IRO assessment and 649 stakeholders responded to the questionnaire.

Criteria for assessment of Impacts, Risks and Opportunities

The assessment of the impact and financial materiality of the IRO was based on the criteria defined in the EFRAG IG 1 – Materiality Assessment – Implementation Guidance. This was performed using an Excel tool, customized by the external consultancy team.

For the assessment of impacts, the following criteria were used:

IRO typology	Severity (average)			Likelihood
	Scope	Scale	Irremediable Character	
Actual negative impact	x	x		
Potential positive impact	x	x	x	
Potential negative impact	x	x		x
Actual positive impact	x	x	x	x

For actual negative impacts, materiality was based on the severity (scale, scope and irremediable character) of the impact, while for positive impacts, it was based on the scale and scope. For potential impacts, materiality also includes consideration of their likelihood. Each potential impact assessed was also mapped onto the relevant time horizon. All impacts were assessed in terms of their location in the value chain.

For the assessment of risks and opportunities, the following criteria were used:

IRO typology	Magnitude (maximum)					Likelihood
	Regulatory	Reputational	Financial	Market	Business continuity	
Risks	x	x	x	x	x	x
Opportunities	x	x	x	x	x	x

For each risk or opportunity, all five subcriteria – regulatory, reputational, financial, business continuity, and market – could be evaluated (if applicable) separately to facilitate richer discussions among subject matter experts. By default, the overall magnitude reflected the highest evaluation among the individual subcriteria, but experts could review and adjust this assessment as appropriate. Each risk and opportunity assessed was also mapped onto the relevant time horizon **[IRO-1_09; §53c ii]**.

Heat maps with thresholds were used to determine the materiality of the IRO. On a scale of 1 to 25, those scoring above 12 were considered material, while those below 6 were deemed non-material. IRO with scores between 6 and 12 were subject to further discussion and validation during calibration sessions **[IRO-1_06; §53b iv]**. According to the EFRAG guidelines, in the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood. In these cases, the thresholds were adjusted accordingly.

The calibration sessions were attended by FamiCord's sustainability team, who have a broad understanding of the Group's business and ESG areas. The results were subsequently presented to the Management Board for validation **[IRO-1_11; §53d]**.

Results and conclusions

Double materiality results from the combination of impact materiality and financial materiality. A topic meets the double materiality criteria if it is material from an impact perspective, a financial perspective, or both. As a result of the 2024 DMA process, the following outcomes were identified:

- 24 material impacts;
- 14 material risks;
- 10 material opportunities;
- 15 material topics.

The outputs of the DMA, along with actions to mitigate material impacts and risks and to pursue identified opportunities, will be integrated into the Group's Risk Management System in 2025, with the definition and implementation of the corresponding action plans **[IRO-1_12; §53e | IRO-1_13; §53f]**.

The correspondence of the 15 material topics and the ESRS topical standards can be found in the table below.

Dimension	ESRS Topical Standards	Material topic
Environmental	ESRS E1 – Climate change	Climate change and energy efficiency
	ESRS E2 – Pollution	Not material
	ESRS E3 – Water and marine resources	Not material
	ESRS E4 – Biodiversity and ecosystems	Not material
	ESRS E5 – Resource use and circular economy	Resources inflow and consumption
		Waste management
Social	ESRS S1 – Own workforce	Labour practices, employee compensation and benefits
		Health, safety, and well-being
		Diversity, equity, and inclusion
		Training and skills development
		IT security and data protection
	ESRS S2 – Workers in the value chain	Not material
	ESRS S3 – Affected communities	Social responsibility and community engagement
	ESRS S4 – Consumers and end-users	IT security and data protection
		Customers and patients' safety and health
		Service quality and customer satisfaction
		Social responsibility and community engagement
Governance	ESRS G1 – Business conduct	Business conduct
		Ethics, integrity, and compliance
		Relationship with suppliers
	Entity specific	Research and Development

It is worth noting that regarding standards E2 – Pollution, E3 – Water and marine resources, E4 – Biodiversity and ecosystems and S2 – Workers in the value chain, IRO were identified and assessed, however, they scored below materiality threshold.

DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT (IRO-2)

The materiality of the information was determined on the basis of the material IRO resulting from the Group's double materiality assessment. After identifying the material topical standards, materiality was assessed at the level of the disclosure requirements and datapoints. The materiality assessment process and the use of thresholds are described in the previous section (IRO-1).

For information on disclosure requirements in ESRS covered by these non-financial statements, as well as the list of datapoints in cross-cutting and topical standards that derive from other EU legislation, please refer to the ESRS correspondence tables (Table 1 and Table 2, respectively) in the appendices.

Environmental Information

EU Taxonomy

INTRODUCTION

In the context of increased focus on environmental sustainability issues, framed within the United Nations' 2030 agenda and the Paris Agreement on climate change, the European Union developed its own action plan for sustainability. The main objective of the action plan is the reorientation of capital flows toward sustainable investments. In the execution of this ambition, the approval of the EU Taxonomy by Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 emerged as a central element in the development of environmental sustainability.

This instrument allows the transition of sustainability information from mostly subjective assessments to a classification of economic activities based on scientific technical criteria, aiming at qualifying each activity as environmentally sustainable or not, thus allowing an effective comparison between activities and companies. It is more than just a step towards eliminating greenwashing; it represents an entirely new system with significant impacts on how economic agents are evaluated and funded.

This legal framework does not impose any obligation to comply with the technical criteria for qualifying an activity as sustainable, but it requires some companies - such as FamiCord - to disclose whether their activities align with these criteria and to determine the total proportion of the company's alignment or sustainability.

GENERAL OPERATIONAL FRAMEWORK

The general mechanics of the taxonomy are based on the definition of the following six major environmental objectives:

a) Climate change mitigation;

b) Climate change adaptation;

c) The sustainable use and protection of water and marine resources;

d) The transition to a circular economy;

e) Pollution prevention and control, and

f) The protection and restoration of biodiversity and ecosystems.

The alignment or sustainability of activities depends on the simultaneous verification of three factors:

(i) The "Substantial Contribution" of the activity to at least one of the six environmental objectives;

(ii) The inexistence of "Significant Harm" caused by the activity to the remaining five environmental objectives (The "Do No Significant Harm" or "DNSH"), and

(iii) The company's respect for Minimum Safeguards.

The first two factors must be assessed based on specific technical criteria for each activity in relation to the environmental objective it aims to contribute to.

The third factor depends on the existence of procedures that ensure the company's alignment with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights established in the eight fundamental conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the International Bill of Human Rights.

As the alignment verification can only take place for activities for which technical criteria are available, there is a preliminary step to this verification which consists of determining Eligibility - activities without available technical criteria are not eligible for the taxonomy.

POSITIONING OF FAMICORD

The main activity of FamiCord is not eligible for the Taxonomy, which considerably affects the company's strategic positioning with respect to this instrument.

The European construct of this taxonomy mechanism has a progressive dynamic for including and evolving the technical criteria of various economic activities. Prioritization was given to certain activities with a higher impact on the climate transition process, leading to the exclusion, to date, of FamiCord's main activity.

Nonetheless, because some secondary or complementary activities can be considered, an assessment was made of these activities, and the results are presented here, referring to the fiscal year 2024.

As will be shown, in the cases where eligibility is possible, there is no alignment for this exercise.

TURNOVER, CAPEX, AND OPEX

The assessment of alignment or sustainability for each activity is binary: activities are either aligned or not aligned. The Taxonomy information system, however, is more ambitious and requires the overall status of the company's various activities to be projected into a global alignment proportion.

This proportion is determined using three distinct weighting factors from a consolidated perspective: Turnover, CapEx, and OpEx.

The Turnover and CapEx considered for the quantitative information correspond to the same indicators used in the financial statements, which were calculated on the basis of International Financial Reporting Standards (IFRS). Therefore, the denominator is 82,183,587 EUR for Turnover and 4.430.012,23 for CapEx.

For OpEx, a more restrictive concept resulting from applicable legislation is used. It includes direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditure related with the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continuous and effective functioning of such assets. A total amount of 5,442,335 was considered for the OpEx denominator.

ELIGIBILITY

Full understanding of eligibility depends on integrating the activity (i) within the relevant environmental objective and (ii) the filter resulting from each of the three mentioned KPIs. In the first case, because eligibility is always viewed in terms of a specific objective for which an activity may contribute. In the second case, because not all activities are relevant for all the company's KPIs, and because, for CapEx and OpEx, there are special cases where alignment is possible even if the company's activity is not eligible or is eligible but not aligned.

One such situation is CapEx plans, which is currently not the case for FamiCord, where expenses within a plan aimed at achieving the alignment of an activity that is not yet aligned are themselves aligned. Another case, relevant to FamiCord, involves the acquisition from third parties of output from their aligned activities, which accounts as aligned CapEx, even if these assets are integrated by FamiCord into non-eligible or non-aligned activities. These cases are marked as "Type C_CapEx."

Within the scope of Turnover, we consider just one activity, the "Manufacture of medicinal products", which is eligible for the Pollution Prevention and Control objective and respects to an independent economic activity within FamiCord's overall operations. This activity was not considered for FY 2023.

Within the scope of CapEx, we present three activities with relevant CapEx:

a) Transport by motorbikes, passenger cars, and light commercial vehicles;

b) Acquisition and ownership of buildings;

c) Manufacture of electrical and electronic equipment;

The first two are eligible both to the Climate Change Mitigation and Adaptation objectives, and the manufacture of electrical and electronic equipment is a "Type C" CapEx eligible for the 'transition to a circular economy' objective.

We note that for FY2023 the activity of 'manufacture of electrical and electronic equipment' was not considered and that the activity of 'freight transport services by road', which was included for FY2023, does not present relevant materiality this year. In what concerns the increase in value for the activity of 'acquisition and ownership of buildings', it results from the impact of the IFRS 16 standard, regarding long term leases.

Five different activities were included for the OpEx KPI:

a) Transport by motorbikes, passenger cars and light commercial vehicles;

b) Freight transport services by road;

c) Acquisition and ownership of buildings;

d) Repair, refurbishment and remanufacturing, and

e) Manufacture of medicinal products.

The first three are eligible both to the Climate Change Mitigation and Adaptation objectives, 'Repair, refurbishment and remanufacturing' is eligible for the 'transition to a circular economy' objective and the 'Manufacture of medicinal products' for the objective of 'Pollution Prevention and Control'. For FY2023 these activities were not considered within the OpEx KPI.

The eligibility ratios were calculated using the proportion of the KPI eligibility for the fiscal year (numerator) in relation to the total amount of the KPI for the same fiscal year (denominator). This resulted in eligibility ratios of 1.2% for Turnover, 98.8% for CapEx and 100% for OpEx.

As we reviewed the 2024 CapEx data, we took into consideration the impact of IFRS 16, recognizing that some of the additions recorded for the year may not reflect new acquisitions, but rather the renewal of existing lease contracts for new rental periods. Regarding the category "Manufacture of electrical and electronic equipment – Type C", this was analyzed in consultation with an external advisor and we determined that this investment was relevant and appropriate to disclose under taxonomy-eligible activities, even though the associated operations are not yet taxonomy-aligned.

In 2023, our analysis concluded that the amount of operational expenditure (OpEx) falling under the scope of the EU Taxonomy was immaterial, and therefore it was not disclosed in the corresponding non-financial report. However, in 2024, following a thorough reassessment of our operations, expenditure data, and internal processes – and in consultation with external advisors – we identified a portion of OpEx that is sufficiently material to warrant disclosure.

ALIGNMENT

There is no alignment to report for the fiscal year 2024. Alignment depends on verifying technical criteria which involve various complexities for the activities in question. In some cases, this is due to demanding criteria for assets and activities predating the taxonomy itself, and in others, due to challenges in obtaining data that would confirm compliance with an acceptable level of confidence. This situation is particularly noticeable in some cases of "Do No Significant Harm" verification, such as concerning Pollution Prevention and Control.

Considering a significant review process of Taxonomy Regulation is underway as part of the European Commission's Omnibus initiative, and that the primary activity is not eligible, FamiCord's alignment efforts will depend on strategic choices that can only be made once there is a greater visibility on the taxonomy's evolution.

REPORTING PROCESS

The taxonomy exercise began with identifying eligible activities.

KPIs have significant impact in this analysis because, as referred, in some cases, the CapEx or OpEx filter extends the range of relevant activities. For example, FamiCord would not qualify "Manufacture of electrical and electronic equipment" as its own activity; however, this activity is identified as an eligible activity.

The first phase of the exercise therefore involved leveraging the team with the broadest organizational insight to identify all potentially eligible activities for all environmental objectives and according to any of the three relevant KPIs.

The long list that resulted from this first approach was subject to an in-depth analysis, using the legal definition of the activities and the NACE codes indicated in the technical criteria, where applicable, to determine the final list of eligible activities.

After determining eligibility, technical criteria were evaluated by the departments most related to each activity to assess compliance, both with the "Substantial Contribution" and with the "Do No Significant Harm". The assessment was conducted by verifying applicable requirements for the environmental objectives each activity may contribute to, according to Regulation (EU) 2021/2139 and Regulation (EU) 2023/2486.

Minimum Safeguards were also verified in this process, supported by an internal questionnaire built to reflect legal requirements that result from Article 18 of the Taxonomy Regulation and from the report of the Platform on Sustainable Finance on Minimum Safeguards.

Once the information on eligibility and alignment for each KPI was obtained, the values were determined by the financial area.

ADDITIONAL INFORMATION

1. There was no need to apply any procedures to avoid double-counting, considering the distinct nature of the various activities and the categories used in constructing the quantitative tables.

2. There are no CapEx Plans relevant for taxonomy.

3. The road freight transport services considered are only those carried out by FamiCord itself and not those subcontracted with third parties. The latter only have relevance in non-relevant OpEx for taxonomy purposes.

4. The determination of OpEx for "Repair, refurbishment, and remanufacturing" was done by, firstly, compiling all amounts associated with the OpEx definition as presented in "TURNOVER, CAPEX and OPEX" and, afterward, allocating them to each category, including "Repair, Refurbishment and Remanufacturing.

5. FamiCord does not have activities related to fossil gas or nuclear energy that need to be reported under Annex XII of Regulation (EU) 2021/2178, as evidenced in the attached tables.

DISCLAIMER

FamiCord takes great care to ensure the correctness of the published information. Nevertheless, no guarantee can be given regarding the correctness, accuracy, up-to-dateness, reliability and completeness of this information. Liability claims against FamiCord for damages of a material or immaterial nature resulting from the access, use or non-use of the published information are excluded.

TURNOVER

				Substantial contribution criteria					
Economic Activities	Code	Turnover	Proportion of Turnover year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity
		in €	%	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0.0%**	**–**	**–**	**–**	**–**	**–**	**–**
Of which enabling		–	–	–	–	–	–	–	–
Of which transitional		–	–	–					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of medicinal products	PPC 1.2	952,724	1.2%	N/EL	N/EL	N/EL	EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**952,724**	**1.2%**	**0%**	**0%**	**0%**	**952,724**	**0%**	**0%**
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**952,724**	**1.2%**	**0%**	**0%**	**0%**	**952,724**	**0%**	**0%**
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities		**81,230,863**	**98.8%**						
Total (A + B)		**82,183,587**	**100.0%**						

DNSH criteria ("Do No Significant Harm")									
Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2) Turnover year 2023	Category enabling activity	Category transitional activity
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	C	T
–	**–**	**–**	**–**	**–**	**–**	**–**	**0%**	**–**	**–**
–	–	–	–	–	–	–	–	C	–
									T
							0%		
							0%		
							0%		

CAPITAL EXPENDITURES (CAPEX)

Economic Activities	Code	Capex	Proportion of Turnover year 2024	Substantial contribution criteria: Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy
		in €	%	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL
A. Taxonomy-eligible activities								
A.1. Environmentally sustainable activities (Taxonomy-aligned)								
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0.0%**	**–**	**–**	**–**	**–**	**–**
Of which enabling		–	–	–	–	–	–	–
Of which transitional		–	–	–				
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)								
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5; CCA 6.5	788,096.53	18.3%	EL	EL	N/EL	N/EL	N/EL
Freight transport services by road	CCM 6.6; CCA 6.6	–	0.0%	EL	EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7; CCA 7.7	953,201.94	22.2%	EL	EL	N/EL	N/EL	N/EL
Manufacture of electrical and electronic equipment – Type C	CE 1.2	1,856,294.35	43.2%	N/EL	N/EL	N/EL	N/EL	EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,597,592.82**	**83.7%**	**1,741,298.48**	**1,741,298.48**	**0%**	**0%**	**1,856,294.35**
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		**3,597,592.82**	**83.7%**	**1,741,298.48**	**1,741,298.48**	**0%**	**0%**	**1,856,294.35**
B. Taxonomy-non-eligible activities								
CapEx of Taxonomy-non-eligible activities		700,173.22	16.3%					
Total (A + B)		**4,430,012.23**	**100.0%**					

		DNSH criteria ("Do No Significant Harm")									
	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2) CapEx year 2023	Category enabling activity	Category transitional activity
	Y; N; EL/N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	C	T
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0%**	**-**	**-**
	–	–	–	–	–	–	–	–	–	C	–
											T
	N/EL								9.3%		
	N/EL								0.2%		
	N/EL								2.8%		
	N/EL										
	0%								**12.3%**		
	0%								**12.3%**		

OPERATING EXPENDITURES (OPEX)

Economic Activities	Code	Opex	Proportion of Opex year 2024	Substantial contribution criteria: Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity
		in €	%	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL	Y; N; EL/N/EL
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0.0%**	**–**	**–**	**–**	–	**–**	**–**
Of which enabling			–	–	–	–	–	–	–
Of which transitional			–						
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5; CCA 6.5	254,225	5%	EL	EL	N/EL	N/EL	N/EL	N/EL
Freight transport services by road	CCM 6.6; CCA 6.6	2,416,189	44%	EL	EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7; CCA 7.7	553,762	10%	EL	EL	N/EL	N/EL	N/EL	N/EL
Repair, refurbishment and remanufacturing	CE 5.1	2,119,607	39%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Manufacture of medicinal products	PPC 1.2	98,552	2%	N/EL	N/EL	N/EL	EL	N/EL	N/EL
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**5,442,335**	**100%**	**3,224,175**	**3,224,175**	**0%**	**98,552**	**2,119,607**	**0%**
A. Opex of Taxonomy-eligible activities (A.1 + A.2)		**5,442,335**	**100%**	**3,224,175**	**3,224,175**	**0%**	**98,552**	**2,119,607**	**0%**
B. Taxonomy-non-eligible activities									
Opex of Taxonomy-non-eligible activities		0							
Total (A + B)		**5,442,335**	**100%**						

	DNSH criteria ("Do No Significant Harm")									
	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2) Opex year 2023	Category enabling activity	Category transitional activity
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	C	T
	–	**–**	**–**	**–**	**–**	**–**	**–**	**0%**	**–**	**–**
	–	–	–	–	–	–	–	–	C	–
									–	T
								0%		
								0%		
								0%		
								0%		
								0%		
								0%		
								0%		

E1 – Climate Change

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (ESRS 2-SBM-3)

As part of its DMA, the FamiCord Group has identified three material impacts, and one material risk related to climate change.

The negative impact of indirect energy emissions (Scope 2) arises from the high electricity consumption in offices, production laboratories, and cell and tissue banks **[I-002]**, which is essential for maintaining cryopreservation processes. Additionally, there is a negative impact from indirect emissions in the value chain (Scope 3), resulting from the logistics of transporting biological samples, employee commuting, and the procurement of goods and services, all of which contribute to GHG emissions across the supply chain **[I-003]**.

On the other hand, the Group plans on taking further steps to mitigate these impacts by promoting energy efficiency. The implementation of measures to reduce energy consumption and optimize processes brings a positive impact **[I-004]**, minimizing both emissions and operational costs in a broader scope given the geographical distribution of the Group.

During the DMA, the FamiCord Group identified and assessed a range of climate-related risks, including both physical and transition risks. These include the risk of inadequate adaptation measures, more stringent GHG regulations, operational disruptions due to extreme climatic events, potential energy supply constraints, and rising fossil fuel prices. These risks were evaluated in terms of their potential effects on FamiCord's activities, according to their magnitude and likelihood. At present, most of the identified risks were deemed not material due to the nature of the Group's activities, centered around controlled laboratory and cryogenic storage environments with limited exposure to external physical climate events. Also, the existence of several laboratories that can work as backups for each other further mitigates operational risks.

One material risk was identified in relation to the increasing cost of fossil fuels, which represents a risk that could financially impact on the Group **[RO-005]** due to its reliance on energy-intensive processes such as cryopreservation and laboratory operations. This is a medium-term transition risk linked to a potential increase in energy prices due to changes toward renewable energy sources, changes in the regulation of the sector with higher taxation for fossil sources, and the transition to new technologies **[E1.SBM-3_01; §18]**.

The assessment of the resilience of the Group's strategy and business model in relation to climate change has not yet been conducted for the FamiCord Group **[E1.SBM-3_02; §19 a]**. However, at this stage, no significant short-term climate-related risks have been identified that would materially affect the Group's business model.

The table below presents the four climate-related IRO of the FamiCord Group, detailing their respective time horizons, location within the value chain, and associated subtheme.

Description [SBM-3_01; §48 a I SBM-3_02; §48 a]	Impact, Risk or Opportunity [SBM-3_01; §48 aI SBM-3_02; §48 a]	Time horizon [SBM-3_06; §48 c iii]	Value chain location [SBM-3_01; §48 a I SBM-3_02; §48 a]	Sub-topic or related sub-sub-topic
Climate change				
I-002 Contribution to climate change due to the emission of GHGs generated indirectly – Scope 2 (energy consumption in offices, production laboratories and cell and tissue banks).	Negative impact	–	Own operations	Climate change mitigation
I-003 Contribution to climate change due to the emission of GHGs generated indirectly – Scope 3 (purchased goods and services; upstream/downstream leased assets; upstream/downstream transportation and distribution; employee commuting; etc).	Negative impact	–	Upstream, Own operations, Downstream	Climate change mitigation
I-004 Reduction of overall energy consumption and associated GHGs emissions through promotion of energy efficiency (increased employee awareness, process optimization, equipment replacement, etc.).	Positive impact	Medium-term (1 to 5 years)	Own operations	Energy
RO-005 Increasing energy prices for fossil fuels which could pose a risk for FamiCord due to its reliance on energy-dependent processes like cryopreservation and laboratory operations.	Risk	Medium-term (1 to 5 years)	–	Energy

Note: For actual material impacts there is no associated time horizon

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION (E1-1)

At this stage, the Group has not yet formalised a climate change transition plan, as it intends to conduct a more comprehensive analysis to establish its strategy related to climate change. The outcomes of this analysis will provide the necessary insights to support the potential development of a transition plan aligned with the Group's overall strategic direction **[E1-1_16; §17]**.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION (E1-2)

During 2024 FamiCord prioritized policies related to Business Conduct, Anti-Corruption, Whistleblowing and Risk Management Procedures. Climate related policies were postponed to 2025, after having a better understanding of the IRO associated and the Group's strategy for environment **[E1.MDR-P_07; §62]**.

ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES (E1-3)

FamiCord Group plans to develop actions related to climate during 2025, along with the establishment of corporate environmental policies and targets **[E1.MDR-A_13; §62]**.

TARGETS AND METRICS

TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION (E1-4)

In 2024, FamiCord Group conducted a carbon footprint assessment to quantify its emissions. Based on the results of this assessment, the Group plans to define specific actions and targets **[E1.MDR-T_15; §72 / §81 a]**. Climate-related targets are planned to be set in 2025 **[E1.MDR-T_14; §72 / §81 a]**.

ENERGY CONSUMPTION AND MIX (E1-5)

The methodology used to determine energy consumption was based on data collected as part of the FamiCord Group's carbon footprint assessment. For this purpose, information was requested regarding Scope 1 and Scope 2 emissions, covering the following emission sources: stationary combustion (fuel used in boilers and backup generators), mobile combustion (fuel consumption from company-owned, leasing and long-term rental vehicles), electricity (including electric vehicles), and district heating (externally supplied heat for buildings). The collected data included the identification of the energy used, distinguishing between fossil and renewable sources **[MDR-M_02; §77 a]**. For more information on the carbon footprint and its respective limitations, and assumptions, please refer to section E1-6 – Gross Scopes 1, 2, 3, and Total GHG Emissions.

Considering the limitations of the carbon footprint assessment, the results reported in this indicator pertain only to the 10 companies[1] that provided data for the aforementioned emission sources. Data from the offices, laboratories, and warehouses of the Group's companies were included.

The table below presents the energy consumption values categorized by fossil, nuclear, and renewable sources within the companies' own operations.

In 2024, fossil energy sources accounted for 48% of the total energy consumption, nuclear sources represented 5%, and renewable sources made up 47%. The total energy consumption for the period amounted to 153,555 MWh **[BP-2_10/12; §13 a, b, c]**.

Energy consumption in FamiCord Group's own operations

Energy consumption in own operations [E1-5_01; §37]	**Unit**	**2024**
Total fossil energy consumption [E1-5_01; §37]	**MWh**	**72,969**
Share of fossil sources in total energy consumption [E1-5_15; AR34]	**%**	**48%**
Consumption from nuclear sources [E1-5_03; §37 b]	**MWh**	**8,301**
Share of consumption from nuclear sources in total energy consumption [E1-5_04; AR34]	**%**	**5%**
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) **[E1-5_06; §37 c) i.]**	MWh	–
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources **[E1-5_07; §37 c) ii.]**	MWh	62,913
The consumption of self-generated non-fuel renewable energy **[E1-5_08; §38 c) iii.]** (1)	MWh	9,372
Total renewable energy consumption (MWh) [E1-5_05; §37 c]	**MWh**	**72,285**
Share of renewable sources in total energy consumption [E1-5_09; AR34]	**%**	47%
Total energy consumption (MWh)	**MWh**	**153,555**

Note 1: The breakdown between the electricity produced at the Leipzig office for self-consumption and the amount fed into the grid is not yet available at the time of publication of the non-financial statements. For this reason, the same breakdown as in 2023 was assumed.

[1] The companies that reported data for the presented categories are: Cryoprofil; Diagnostica Bank Komórek Macierzystych; FamiCord AG; FamiCord Suisse; KRIO Intezet; PBKM Sp. z o.o.; Seracell Pharma; Stemlab, S.A.; NGI-Lifescience and Health International, S.A. (NGI); VITA34 mbH.

In the year 2024, there was no production of non-renewable energy **[E1-5_16; §39]**. The production of renewable energy amounted to 10,299 MWh **[E1-5_17; §39]**.

Regarding electricity consumption (including electric vehicles), the reported data came from invoices, fuel card statistics, estimates and accounting records. Additionally, when 2024 data was unavailable, values from previous years (2023 or 2022) were used as a proxy, assuming consumption patterns remained relatively stable. For district heating, data was collected from invoices and cost accounting records, assuming that all relevant consumption was accurately reported. When current-year data was missing, previous years' figures were used as an estimate **[BP-2_09; §11 b ii]**.

Some of the activities carried out by the FamiCord Group are linked to sectors considered to have a high environmental impact, such as the transport of samples. However, these are predominantly subcontracted operations and do not represent the Group's core activities. Even in cases where transport is fully managed internally by FamiCord, its relative contribution to the Group's overall operations is immaterial. Therefore, the FamiCord Group does not operate in sectors of high climate impact and, as such, does not report energy intensity data for activities in these sectors **[E1-5; §38 a, b, c, d, e] [E1-5_18; §40 I E1-5_19; §41]**.

GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS (E1-6)

2024 marks the first year for which the carbon footprint associated with Farmicord Group's activities has been calculated. Consequently, the information on this exercise is presented in greater detail.

The first stage of the carbon footprint assessment involved identifying which companies within the FamiCord Group would be included in the calculation, considering the Group's financial statements (majority ownership) and their current operational activities. Out of the 32 entities[1] that make up the FamiCord Group, a decision was made to include only 26 companies, while six were excluded: VITA 34 ApS, VITA 34 s.r.o., AS Imunolita, Rodinná banka Slovakia, Rodinná banka Czech Republic, and Sevibe Cells (Celvitae). The reasons for these exclusions include the absence of activity and planned merger into another group company, minority ownership, or being in liquidation.

The second stage of the carbon footprint assessment involved mapping the emission sources, with the objective of identifying the different sources of greenhouse gas (GHG) emissions associated with the Group's activities and determining the activity data to be collected for calculating the carbon footprint related to the operations.

As a result of the mapping process, Scope 1 emissions included stationary combustion (fuel used in boilers and backup generators), mobile combustion (fuel consumption from company-owned, leased, and long-term rental vehicles), and refrigerant gas leaks. Scope 2 emissions covered electricity (including electric vehicles) and district heating (externally supplied heat for buildings). For Scope 3 emissions, only three categories were selected: categories 5 – Waste generated in operations, 6 – Business travel, and 7 – Employee commuting.

The decision to include only these three categories was based on three key factors: lower complexity in data collection and emissions calculation, reduced uncertainty, and the fact that this was the Group's first year conducting the assessment. Given the initial nature of the exercise, priority was given to categories with higher data availability and more straightforward calculation methodologies, thereby minimizing potential errors and uncertainties. However, despite calculating emissions for only these three categories, the initial emissions mapping was not limited to them. All emission sources associated with the Group's activities, including those from Scope 1, 2, and 3, were considered in the mapping process **[E1-6_26; AR 46 i I E1-6_27; AR 46 i]**.

The Greenhouse Gas Protocol establishes a comprehensive framework for measuring and managing greenhouse gas emissions. The FamiCord Group adopts the operational control approach to consolidate emissions associated with its activity **[E1-6_15; AR 39 b / §50 a I E1-6.MDR-M_02; §77 a I BP-2_09; §11 b ii]**.

[1] The FamiCord Group includes FamiCord AG and its subsidiaries (hereinafter referred to as the "subgroup Vita 34") as well as Polski Bank Komórek Macierzystych Sp. z o.o., Poland, and its subsidiaries (hereinafter referred to as "subgroup PBKM"). Together, these companies, including FamiCord AG and PBKM, comprise a total of 32 entities.

The table below presents the Scope 1 GHG emissions for the consolidated accounting Group, including the parent company (FamiCord AG) and fully consolidated subsidiaries (subgroup Vita 34 and subgroup PBKM), which resulted in 530 tCO_2eq in 2024. Scope 1 GHG emissions from regulated emission trading schemes are not applicable to the FamiCord Group **[E1-6_07; §48 a / §50 a | E1-6_08; §48 a, b]**.

Scope 1 GHG emissions – consolidated accounting Group

Scope 1 GHG emissions – consolidated accounting group	Unit	2024
Gross Scope 1 emissions **[E1-6_07; §48 a / §50 a]**	tCO_2e	530.46
Scope 1 GHG emissions from regulated emission trading schemes **[E1-6_08; §48 a, b]**	%	Not applicable

For stationary and mobile combustion, conversion factors and emission factors specific to each country where the FamiCord Group operates were used, based on the National Inventory Reports (NIRs). Whenever this information was not available, DEFRA emission factors were applied. Regarding Refrigerant Gas Leaks, the Global Warming Potentials (GWPs) used were sourced from AR6 - GHG Protocol for the only reported refrigerant, R-410A **[E1-6_15; AR 39 b / §50 a | E1-6.MDR-M_02; §77 a | BP-2_09; §11 b ii]**.

Some data limitations and methodological choices introduced uncertainties in the calculation of Scope 1 GHG emissions. For stationary combustion, the use of calorific values from a Portuguese supplier for Swiss natural gas and DEFRA's emission factors for Hungary introduces potential discrepancies, as these values may not fully reflect local conditions. In mobile combustion, the application of DEFRA's emission factors for Germany and Austria, where only km/year data was available, adds uncertainty since it does not account for vehicle-specific fuel efficiency **[BP-2_07; §11 a | BP-2_08; §11 b i]**.

The table below presents the Scope 2 GHG emissions for both the location-based and market-based approaches for the consolidated accounting Group, including the parent company (FamiCord AG) and its fully consolidated subsidiaries (subgroup Vita 34 and subgroup PBKM). It is important to note that district heating emissions are reported under Gross Location-Based Emissions (Scope 2). In 2024, gross location-based emissions resulted in 740 tCO_2e, while gross market-based emissions amounted to 695 tCO_2e **[E1-6_09; §49 a / §50 a / §52 a | E1-6_10; §49 b / §50 a, b]**.

Scope 2 GHG emissions – consolidated accounting Group

Scope 2 GHG emissions – consolidated accounting group	Unit	2024
Gross location-based emissions (Scope 2) **[E1-6_09; §49 a / §50 a / §52 a]**	tCO_2e	739.92
Gross market-based emissions (Scope 2) **[E1-6_10; §49 b / §50 a, b]**	tCO_2e	694.77

The location-based approach applied the production mix emission factor for each country where companies reported data, with emission factors sourced from AIB (2023). The market-based approach was implemented using either the specific electricity supplier's emission factor, when available, or the location-based Residual Mix factor from AIB (2023). Supplier-specific emission factors were available for Hungary, Poland, and Portugal. For district heating, since the emission factor for the supplier was not available, DEFRA's emission factor was applied to calculate emissions **[E1-6_15; AR 39 b / §50 a | E1-6.MDR-M_02; §77 a | BP-2_09; §11 b ii]**.

It is important to note that some data limitations and methodological choices introduced uncertainties in the calculation of Scope 2 GHG emissions. In cases where country-specific emission factors or conversion values were unavailable, assumptions were made based on alternative sources, such as the Portuguese NIR and DEFRA emission factors **[BP-2_07; §11 a | BP-2_08; §11 b i]**. For more information on the limitations and methodological choices of electricity consumption and district heating, please refer to section E1-5 – Energy consumption and mix.

The table below presents the Scope 3 GHG emissions for the consolidated accounting Group, including the parent company (FamiCord AG) and fully consolidated subsidiaries (subgroup Vita 34 and subgroup PBKM), which resulted in 236 tCO_2e in 2024. Category 6 recorded the highest Scope 3 emissions, primarily due to domestic and international air travel reported by the companies **[E1-6_04; AR 46 d]**.

Scope 3 GHG emissions (according to GHG protocol) – consolidated accounting Group

Scope 3 GHG emissions (according to GHG protocol) **[E1-6_04; AR 46 d]**	**Unit**	**2024**
Gross Scope 3 GHG emissions [E1-6_11; §51]	**tCO_2e**	**235.59**
Category 5 – Waste generated in operations **[E1-6_11; §51]**	tCO_2e	4.50
Category 6 – Business travel **[E1-6_11; §51]**	tCO_2e	160.44
Category 7 – Employee commuting **[E1-6_11; §51]**	tCO_2e	70.64

For category 5, which includes all waste generated from the Group's operations, covering both hazardous and non-hazardous waste disposal methods, DEFRA emission factors were used. The calculation considered the type of waste generated and its final disposal method **[E1-6_29; AR 46 h |E1-6_15; AR 39 b |E1-6.MDR-M_02; §77 a |BP-2_09; §11 b ii]**.

For category 6 (business travel and accommodation), which includes all business-related travel by employees, such as flights, trains, and road transport, as well as their respective accommodations, DEFRA emission factors were applied. For hotel stays related to business travel, data was collected on the total number of nights spent in accommodation and the respective country of stay. The DEFRA emission factor for "hotel stays" in each country was then applied to estimate emissions **[E1-6_29; AR 46 h |E1-6_15; AR 39 b |E1-6.MDR-M_02; §77 a |BP-2_09; §11 b ii]**.

For category 7 (employee commuting and remote work), data was gathered through a commuting survey conducted among employees from the entities included in the carbon footprint assessment. The survey collected information on transport types for home-office commutes, round-trip distances (total per year), and other relevant commuting details. Emission factors from DEFRA were applied accordingly.

For remote work which covers emissions from home energy consumption related to remote work, employees working remotely were assessed based on the total number of remote employees per geography, the average number of remote workdays per week, the average working hours per day, and company-provided equipment. Emission factors from AIB 2023 were used **[E1-6_29; AR 46 h |E1-6_15; AR 39 b |E1-6.MDR-M_02; §77 a |BP-2_09; §11 b ii]**.

Only 389 employees participated in the questionnaire, which can introduce potential bias, as the commuting patterns of non-respondents may differ from those of respondents. Consequently, extrapolations based on this dataset may not fully represent the commuting behaviors of the entire workforce **[BP-2_07; §11 a]**.

The table below presents the GHG emissions data for 2024 for the FamiCord Group, detailing total gross emissions across Scopes 1, 2, and 3. Scope 1 emissions, which originate from direct sources, amounted to 530.46 tCO_2e. Scope 2 emissions, from purchased electricity, were 739.92 tCO_2e (location-based) and 694.77 tCO_2e (market-based). Scope 3 emissions, covering indirect emissions from the value chain, resulted in 235.59 tCO_2e.

The total GHG emissions for the FamiCord Group in 2024 reached 1,505.97 tCO_2e (location-based) and 1,460.81 tCO_2e (market-based). Scope 2 was the largest contributor to total emissions **[E1-6_01; §44]**.

Total GHG emissions for the FamiCord Group in 2024

GHG emissions [E1-6_01; §44]	Unit	2024
Gross Scope 1	**tCO_2e**	**530.46**
Gross location-based (Scope 2)	**tCO_2e**	**739.92**
Gross market-based (Scope 2)	**tCO_2e**	**694.77**
Gross Scope 3 GHG emissions	**tCO_2e**	**235.59**
Category 5 – Waste generated in operations	tCO_2e	4.50
Category 6 – Business travel	tCO_2e	160.44
Category 7 – Employee commuting	tCO_2e	70.64
Total GHG emissions (location-based) [E1-6_12; §44 / 52 a]	**tCO_2e**	**1,505.97**
Total GHG emissions (market-based) [E1-6_13; §44 / 52 b]	**tCO_2e**	**1,460.81**

The data and calculations will be worked on throughout 2025, with the aim of producing a more comprehensive report in the next carbon footprint assessment (2026), where additional Scope 3 categories are expected to be calculated.

The table below presents the GHG intensity for the FamiCord Group in 2024. GHG intensity is calculated as the ratio of total greenhouse gas (GHG) emissions to net revenue, serving as an indicator of the carbon efficiency of business operations. This metric is determined based on the total gross emissions from Scope 1, Scope 2 (both location-based and market-based approaches), and Scope 3, along with the total net revenue expressed in kiloeuros. For 2024, the GHG intensity was calculated to be 0.018 tCO_2e/k€, reflecting the amount of GHG emissions associated with each unit of revenue generated **[E1-6_01; §44]**.

GHG Intensity based on net revenue

GHG Intensity based on net revenue	Unit	2024
Net revenue	k€	82,118.00
GHG emissions intensity, location-based **[E1-6_30; §53]**	tCO_2e/k€	0.0183
GHG emissions intensity, market-based **[E1-6_31; §53]**	tCO_2e/k€	0.0178

Social Information

S1 – Own Workforce

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (ESRS 2 SBM-3)

The employees of FamiCord Group are a key factor for the Group's success. They represent FamiCord's culture and are a critical driver for the development of the Group's strategy. FamiCord is committed to the development and well-being of its employees, with a focus on fostering a good work environment, respect for work-life balance, adequate working conditions, respect for diversity and improving the health and well-being of its own workforce **[§13 a i]**.

Depending on the geography, companies across the FamiCord Group have varying levels of maturity and development regarding specific programs for employees. As a result, it is a priority for the Group to develop strategic actions focused on employee satisfaction and well-being, as well as the training and development of its own workforce. In this regard, the Group established an internal Human Resources Management Center of Expertise in Leipzig in 2024 (see section S1-4), where a works council is already in place, along with several initiatives that align with the positive actual impacts **[§13 a i]**.

The FamiCord Group conducts an annual employee satisfaction survey (see section S1-4), and the results of this survey serve as a key performance indicator for the General Manager and relevant managers in each geography. In 2025, FamiCord plans to analyze the outcomes of these surveys across the Group, through its Human Resources Management Center of Expertise, and establish prioritized actions aligned with identified material impacts, risks, and opportunities **[§13 a ii]**. This approach not only promotes positive impacts but also anticipates future challenges, ensuring that FamiCord's employees remain aligned with the Group's evolving strategy and growth ambitions.

To ensure a comprehensive and transparent management of the impacts related to the Group's own workforce, all people in the workforce who may be materially affected by FamiCord's operations are included within the scope of these disclosures **[S1-SBM-3_01; §14]**. Across the FamiCord Group, the workforce includes employees, self-employed people, and contractors provided by a third party. Each of these individuals is considered a member of the team, working at the Group's facilities and/or using its equipment, making them subject to the impacts of FamiCord's operations **[S1-SBM-3_02; §14 a]**.

Given the nature of the activities carried out by FamiCord, certain people within the workforce may be more exposed to biological agents, either in the laboratory or during sample collection. These potential negative impacts are properly and routinely addressed through the laboratory safety procedures and, due to that, they were not considered material for the Group **[S1-SBM-3_11; §15]**.

On the other hand, initiatives related to secure working conditions **[I-017]**, work-life balance **[I-021]**, and employee well-being **[I-018 | I-022]** are resulting in positive material impacts on employees. Examples of such initiatives include open-ended employment contracts, life insurance, company pension plans, reduction of working hours, additional holidays, and time-out days. More directly related to employee health and well-being are sports coaches, multisport access cards, private healthcare and psychological support. The activities developed to achieve material positive impacts are not yet established at a corporate level, but are defined at the company level, based on the same principles for employee strategic management and corporate culture. At FamiCord, potential positive impacts are identified, for both employees and non-employees, in areas such as training and development **[I-024]**, diversity **[I-027]** and gender equality with equal pay for equal work **[I-025]** **[S1-SBM-3_04; §14c]**.

As material risks related to the workforce, the FamiCord Group identifies risks related to lack of qualifications and/or shortage of candidates with the necessary skills for open positions within the Group's companies **[RO-015 | RO-022]**, the inability of teams to quickly adapt to operational changes **[RO-023]**, the potential unauthorized disclosure of confidential employee data **[RO-031]** due to cyberattacks, data breaches, or misuse, and the loss of productivity due to absenteeism caused by health and safety issues **[RO-019]**.

FamiCord recognizes opportunities related to improved health and safety for employees **[RO-020]**, leading to increased productivity, as well as the establishment of employee development programs **[RO-024]**, which contribute to enhanced employer brand recognition and a higher number of applications for open job positions **[S1.SBM-3_05; §13b/14d]**.

Within the FamiCord Group, no operations have been identified at significant risk of incidents of forced labor, compulsory labor, or child labor **[S1.SBM-3_07; §14f i to S1.SBM-3_10; §14g ii]**. Furthermore, no risks or opportunities have been identified arising from impacts and dependencies on specific groups of people within the Group's own workforce **[S1.SBM-3_12; §16]**.

Description **[SBM-3_01; §48 a]** **[SBM-3_02; §48 a]**	**Impact, Risk or Opportunity** **[SBM-3_01; §48 a]** **[SBM-3_02; §48 a]**	**Time horizon** **[SBM-3_06; §48 c iii]**	**Value chain location** **[SBM-3_01; §48 a]** **[SBM-3_02; §48 a]**	**Sub-topic or related sub-sub-topic**
Labour practices, employee compensation and benefits				
I-017 Secure working conditions, improved financial security and long-term planning for retirement (e.g., open-ended employment contracts, life insurance, company pension plan), encouraging employee retention and long-term commitment to the company	Positive impact	–	Own operations	Working conditions – Secure employment
I-018 Good labor practices regarding employees (recognition of their work merits, salary, benefits and perks offered) enhancing employee well-being and increasing job satisfaction, encouraging employee retention and long-term commitment to the company	Positive impact	–	Own operations	Working conditions – Adequate wages / Working time
I-021 A positive impact is created by fostering a good work-life balance for employees, which enhances working conditions and boosts overall workplace satisfaction. This leads to improved employee wellbeing, increased productivity, and a more engaged and motivated workforce	Positive impact	–	Own operations	Working conditions – Work-life balance
RO-015 Skills shortage and lack of applications ("Fachkräftemangel") posing a risk for operations, innovation, and competitive positioning	Risk	Short-term (< 1 year)	–	Working conditions – Adequate wages

Description [SBM-3_01; §48 a] [SBM-3_02; §48 a]	**Impact, Risk or Opportunity** [SBM-3_01; §48 a] [SBM-3_02; §48 a]	**Time horizon** [SBM-3_06; §48 c iii]	**Value chain location** [SBM-3_01; §48 a] [SBM-3_02; §48 a]	**Sub-topic or related sub-sub-topic**
Health, safety, and well-being				
I-022 Improved health and well-being of employees through health awareness activities and active health management programs (e.g., sports coaches, multisports access card, private health care, psychological support, surveys about mental health)	Positive impact	–	Own operations	Working conditions – Health and safety
RO-019 Loss of productivity due to absenteeism caused by health and safety issues (accidents and occupational illnesses, mental illness, among others)	Risk	Short-term (< 1 year)	–	Working conditions – Health and safety
RO-020 Improved work performance and productivity, through above average offer in terms of health programmes contributing to better physical and mental health of employees	Opportunity	Medium-term (1 to 5 years)	–	Working conditions – Health and safety
Training and skills development				
I-024 Opportunities for professional growth and the development of competencies at work, facilitated through regular training programs and personalized development plans, contribute positively to employee engagement and career progression. This fosters a skilled and adaptable workforce, aligning with organizational goals and enhancing overall performance and sustainability	Positive impact	–	Own operations	Equal treatment and opportunities for all – Training and skills development
RO-022 Lack of qualification (and consequently productivity) of the workforce leads to loss of sales/non fulfilment of strategic business objectives	Risk	Medium-term (1 to 5 years)	–	Equal treatment and opportunities for all – Training and skills development
RO-023 Inability of the teams to adapt to operational changes (e.g. related to technological advancements, market changes, or customer demands) leading to operational inefficiencies and innovation stagnation, as well as loss of competitiveness	Risk	Medium-term (1 to 5 years)	–	Equal treatment and opportunities for all – Training and skills development
RO-024 Increase of employer' attractiveness by offering individual training and development plans, empowering employees to grow while positioning the organization as a leader in talent development	Opportunity	Long-term (> 5 years)	–	Equal treatment and opportunities for all – Training and skills development

Description [SBM-3_01; §48 a] [SBM-3_02; §48 a]	**Impact, Risk or Opportunity** [SBM-3_01; §48 a] [SBM-3_02; §48 a]	**Time horizon** [SBM-3_06; §48 c iii]	**Value chain location** [SBM-3_01; §48 a] [SBM-3_02; §48 a]	**Sub-topic or related sub-sub-topic**
Diversity, equity, and inclusion				
I-025 Equal career opportunities, including salary practices, for both men and women contributes to a more equitative and fair society	Positive impact	Medium-term (1 to 5 years)	Own operations	Equal treatment and opportunities for all – Gender equality and equal pay for work of equal value
I-027 Diversity of points of view generates an organizational culture focused on innovation and development, with positive impacts in the society and also in the environment	Positive impact	Medium-term (1 to 5 years)	Own operations	Equal treatment and opportunities for all - Diversity
IT and data protection				
RO-031 Unauthorized disclosure of confidential company or employee data due to cyberattacks, data breaches, or misuse could result in litigation costs, regulatory fines, and reputational damage.	Risk	Short-term (< 1 year)	–	Other work-related rights – Privacy

Note: For actual material impacts there is no associated time horizon

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

POLICIES RELATED TO OWN WORKFORCE (S1-1, MDR-P)

As part of its commitment to promote ethical behavior, safeguard employee rights, and ensure a fair and inclusive work environment, the FamiCord Group has established a set of workforce-focused policies, namely the **Code of Conduct**, the **Whistleblowing Procedure** and the **Privacy Policy [S1.MDR-P_01; §65 a]**. Alongside these, FamiCord also has in place, in its subsidiaries, local workplace accident prevention management system **[S1-1_09; §23]**.

Covering FamiCord's entire own workforce, although not directly aligned with specific internationally recognized instruments **[S1-1_07; §21]**, these policies play a critical role in addressing the company's identified social impacts, risks, and opportunities by fostering a safe and respectful workplace, protecting employee rights, and ensuring compliance with ethical and legal standards. They support fair labor practices, reinforce commitments to health, safety, and well-being, and diversity, equity, and inclusion, and contribute to a culture of transparency, accountability, and trust among employees and stakeholders **[S1-1_01; §19]**.

The **Code of Conduct** (see Governance Information, section G1-1) defines the core principles, norms, and values that guide both the organization and its employees in their daily activities, reinforcing standards of integrity, respect, and responsible business conduct **[S1.MDR-P_01; §65 a]**. The FamiCord Group has not yet adopted a supplier code of conduct **[AR13]**.

The **Whistleblowing Procedure** (see Governance Information, section G1-1) presents the Group principles and defines the process for reporting harassment, discrimination, and other misconduct events, as well as whistleblowers protection, ensuring that concerns are handled swiftly and effectively, a valuable tool aimed at implementing a safe, equitable corporate culture **[S1.MDR-P_01; §65 a]**.

In addition to the Whistleblowing Procedure, which presents the Group's principles on the prevention of discrimination, during the reporting year the Group did not have specific policies aimed at promoting equal opportunities and other ways to advance diversity and inclusion **[S1-1_10; §24a | S1-1_11; §24b]**. Meanwhile, the Group's policy on Diversity, Equity & Inclusion has already been implemented in 2025.

The **Privacy Policy** (see section S4-1) defines the company's approach to personal data protection and GDPR compliance, outlining measures to handle data breaches, maintain confidentiality, and prevent unauthorized disclosure of sensitive company or employee data **[S1.MDR-P_01; §65 a]**.

Currently, the Group does not hold a specific Human Rights Policy. Nevertheless, the Group's **Code of Conduct** reflects the compromise with Human Rights, namely through the rejection of any kind of exploitation, trafficking in human beings, forced or child labor **[S1-1_03; §20, S1-1_08; §22]**. When it comes to the rights of its employees, those are addressed across the Group companies through its policies, namely in what respects to health and safety at work, secure working conditions, wellbeing, mutual respect, non-discrimination and equal opportunities **[S1-1_04; §20a]**.

Depending on the company, there may be additional policies and/or procedures in place to cover more detailed sustainability matters related to own workforce. As an example, in PBKM there is a Compensation Policy, a Work Regulation and Employee Social Benefits Fund; in Stemlab there is a specific Anti-harassment code, IT Security Policy and Data Protection Regulation; in Famicord AG there is a Works Council who meet periodically with the Management Board of the FamiCord Group to discuss aspects with impact in the workforce.

The Group addresses employees' needs and expectations through various initiatives, including annual satisfaction surveys, feedback meetings, and, when applicable, meetings with workers' representatives. The yearly satisfaction survey, conducted at the Group level, covers key aspects such as well-being, working conditions, career development, teamwork, and organizational culture **[S1-1_05; §20b]**.

To foster a strong organizational culture and encourage informal interactions, companies within the Group organize team-building activities such as social gatherings, sports competitions, and charity events. Additionally, in compliance with local laws in each region where the Group operates, health and safety programs are in place to identify workplace risks and establish appropriate mitigation measures. Identified risks are communicated to affected employees, who also receive training on the necessary preventive measures **[S1-1_05; §20b | S1-1_06; §20c]**.

In the event of a data breach, procedures are followed in accordance with GDPR and local regulations to ensure proper reporting and response. Employees can also report other incidents through the existing whistleblowing channels **[S1-1_05; §20b | S1-1_06; §20c]**.

The following information is incorporated by reference to other parts of the non-financial statements:

- Presentation of the Code of Conduct: MDR-P, ESRS 2, §65 b/c/f/e – Governance Information, section G1-1.
- Presentation of the Whistleblowing Procedure: MDR-P, ESRS 2, §65 b/c/f/e – Governance Information, section G1-1.
- Presentation of the Privacy Policy: MDR-P, ESRS 2, §65 b/c/f/e – Social Information, section S4-1.

PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS (S1-2)

In order to actively collect insights from its own workforce and use it in decision-making processes regarding impacts on the workforce itself, FamiCord Group has established multiple engagement mechanisms, both with its own workforce as well as workers' representatives **[S1-2_01, §27 | S1-2_02, §27a]**, to ensure continuous dialogue with employees across different geographies **[S1-2_01, §27]**.

In a centralized global feedback gathering process, the Human Resources Departments and/or the General Managers of each subsidiary conduct anonymous annual employee satisfaction surveys across the Group, allowing employees to express their concerns and make individual suggestions regarding their work and working conditions. These surveys serve as a key tool to assess employee sentiment and identify areas for improvement **[S1-2_01, §27, AR 24d]**.

In addition to the survey, depending on the geography, the Group has implemented further engagement procedures, such as townhall meetings with all employees and also individual feedback meetings between employees and the General Managers of each subsidiary and/or the Human Resources Departments and/or relevant managers. These forums provide a space for employees to voice their opinions, while management can address concerns directly and foster open dialogue **[S1-2_01, §27, AR 24d]**.

At the Group headquarters, in Leipzig, a Works Council is in place, covering all employees at FamiCord AG. This Council holds regular meetings with the Management Board of FamiCord AG. These meetings serve to discuss employee concerns, proposed measures, and workforce-related changes, ensuring that employee voices are represented at the highest level of decision-making **[S1-2_01, §27, AR 24d]**.

Stage **[S1-3_03, 27b]**	**Type of Engagement**	**Frequency**
Board Meeting with works council (in Leipzig)	Participation, consultation, and information.	Monthly or bimonthly. Ad-hoc meetings are possible as well.
Employee Satisfaction Survey	Participation.	Yearly.
Meetings with Employee	Information.	Variable.

Most engagement activities take place at a local level, where General Managers gather feedback from employees and report directly to the Management Board on a monthly basis during regular follow-up meetings. This structure ensures that employee input is considered in decision-making at both local and corporate levels. The annual employee satisfaction survey, however, is managed centrally by the Human Resources Management Center of Expertise, in Leipzig, through a dedicated platform, ensuring consistency in the collection and analysis of feedback **[AR 24c]**.

Following the feedback gathering initiatives, regular employee meetings, with variable frequency depending on the company, are held where the General Manager shares updates on the company's economic situation, business performance, and employee-related topics, such as the results of satisfaction surveys and the corresponding action plans. It is therefore through these meetings that employees are informed of their feedback's influence on the Group's decision-making processes **[AR 24b]**.

It is the role of the General Managers in each subsidiary to ensure that this type of engagement with employees exists, ensuring that the results of these activities properly influence the Group's approach **[S1-2_04, §27c]**. The effectiveness of these type of engagement initiatives with own workforce is measured not only by the results of the annual survey conducted to employees, but also through the Group's turnover rate **[S1-2_06, §27e]**.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS (S1-3)

At FamiCord, negative impacts, when they occur, are systematically addressed through the organization's internal management processes for deviations, occurrences, and complaints. The organization does not currently assess whether and how the remedy provided is effective **[S1-3_01, §32a]**.

Within the Group' subsidiaries there are several channels that allow its employees to share their concerns, all established by the organization itself. In addition to the employee satisfaction survey, which allows employees to anonymously share concerns and needs, depending on the geography, further channels are provided for employee engagement and issue reporting. In Leipzig, a Works Council is in place to represent local employees' interests and facilitate dialogue with management. Furthermore, in certain countries within the Group, whistleblowing channels are available, enabling all employees to report concerns confidentially. These mechanisms contribute to a more transparent and responsive work environment, ensuring that employees have multiple avenues to voice their concerns **[S1-3_02, §32b]**.

Although the company does not have a global grievance/complaint handling mechanism related to employee issues **[S1-3_05, §32c]**, in the particular case of the Group company PBKM, there are mechanisms in place to deal with grievance/complaints related to employees, including a separate email inbox to receive these complaints, to which only the legal department has access. These mechanisms are described internally in the compliance system code, the work regulations, and the whistleblowing and protection policy. Additionally, the FamiCord Code of Conduct, as well as the whistleblowing procedures, where applicable, detail how employees and/or their representatives are protected against retaliation **[S1-3_09, §33]**. Currently FamiCord does not assess if people in its own workforce are aware of, and trust, these mechanisms as a way to raise their concerns or needs and have them addressed **[S1-3_08, §33]**.

TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS (S1-4, MDR-A)

In 2024, FamiCord established an internal Human Resources Management Center of Expertise in Leipzig. This Center will help oversee the management of the Group's workforce-related impacts, risks, and opportunities, ensuring alignment with the Group's strategy and fostering continuous improvement in employee well-being and development. Additionally, FamiCord Group conducts an annual employee satisfaction survey, using it as a key performance indicator, which will help the Group prioritize actions aligned with the material impacts, risks, and opportunities identified **[S1-4_03, §38c | S1-4_06, §40a | S1-4_07, §40b]**.

Disclosure of key actions	**Status of key action**	**Scope of actions**	**Time horizon**	**Results**
[S1-MDR-A_01; §68 a]	**[S1-MDR-A_01; §68 a]**	**[S1-MDR-A_02; §68 b]**	**[S1-MDR-A_03; §68 c]**	**[S1-MDR-A_01; §68 a]**
Establishment of an internal Human Resources Management Center of Expertise	Taken and planned	The center was established in Leipzig, but it applies to the Group's own workforce across all geographies.	2024 – 2025 (for consolidation)	Definition of prioritized actions aligned with the Group's strategy and the IRO identified for the own workforce
Annual employee satisfaction survey	Taken and planned	It covers the own workforce across main geographies.	Ongoing (started in 2022 in some companies and planned for the coming years).	– Identification of key areas for improvement in employee well-being. – Insights into workforce satisfaction, aligning actions with employees' needs. – Establishment of prioritized actions based on the survey outcomes.

Currently, across the Group, there are several other different actions in place to address specific impacts, risks and opportunities related to own workforce according to each company's needs and major issues. However, these actions are spread across the Group and are not centralized, and that is something FamiCord wants to work on in the future **[S1-4_03, §38c]**. As an example, Stemlab S.A. in Portugal developed, during 2024, a program for reduction of the working hours, with a free Friday every two weeks, with the aim of improving well-being and work-life balance for its own workforce. In terms of health and safety, there are also initiatives such as the physiotherapy sessions implemented at Stemlab S.A. for the workers in the laboratory and logistics, a group of employees more exposed to repetitive movements and to movement of weights **[S1-4_03, §38c]**. On the other hand, FamiCord ensures that its own practices do not cause or contribute to material negative impacts on its own workforce mainly by engaging with workers council, with Human Resources departments and/or directly with the General Managers, depending on the size of the company **[S1-4_08, §41]**.

If potential or actual negative impacts on the workforce are identified, the situation is managed through the Risk Management System and/or existing procedures for handling deviations or occurrences. Whenever negative impacts or risks are detected, the necessary actions and measures are defined to mitigate or overcome them, including set timeline, designated responsibilities, and mechanisms to assess their effectiveness over time **[S1-4_05, §39]**.

Since the Group's materiality assessment was done during the reporting period, actions to mitigate material risks and to pursue identified opportunities are going to be integrated in the Group's Risk Management System during 2025, with definition and implementation of the corresponding action plan **[S1-4_06, §40a, S1-4_07, §40b]**.

TARGETS AND METRICS

TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES (S1-5, MDR-T)

Following the Group's analysis of the materiality that occurred during the reporting year, the actions and the corresponding targets regarding material impacts, risks and opportunities for the own workforce are going to be integrated in the Group's Risk Management System during 2025 and applied across the entire Group during 2026 **[S1-MDR-T_14, §72, §81a | S1-MDR-T_15, §72, §81a]**.

At the moment the FamiCord Group measures the level of employee satisfaction through the Group's employee survey, with targets established at company level, rather than at the Group level. However, the survey is not conducted in every company and the targets are not yet formally connected to a specific impact, risk or opportunity **[S1-MDR-T_15, §72, §81a]**.

Despite not having yet set measurable targets across the Group, FamiCord tracks the effectiveness of its policies and actions in relation to their material sustainability-related impacts, risks and opportunities regarding their own workforce, through the FamiCord Group employees satisfaction survey **[S1-MDR-T_16, §81b, S1-MDR-T_17, §81bi]**. Progress has been measured more broadly across the Group since 2024 **[S1-MDR-T_19, §81bii, §80d]**, with a result of 81% employee satisfaction obtained in this first year of monitoring, for the following geographies: Germany (excluding Eticur), Poland (considering only PBKM), Hungary, Portugal, Romania, and Turkey (referring only to Acibadem) **[S1-MDR-T_18, §81bii]**.

CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES (S1-6, MDR-M)

FamiCord operates across multiple countries and employs 771 workers. Maintaining responsible employment practices is key to creating an inclusive and fair workplace, contributing to both employee satisfaction and talent retention. The main characteristics of the Group's employees are presented below, considering the five main geographies where the Group has more than 50 employees: Poland, Germany, Portugal, Spain and Hungary. FamiCord is working on the improvement of its data collection system in order to be able to report in full detail all geographies.

The disclosed numbers have been obtained from each subsidiary, since this information is not centralized in a corporate system. Depending on the size and structure of each company, the data may be collected manually or through an internal human resources management system that automatically processes it within a defined timeframe. **[S1-6_13 §50d | MDR-M_02, §77a]**. The number of employees was reported as head count, as the number of people with employment agreement in each company **[S1-6_14, §50di]**, at the end of the reporting period **[S1-6_14, §50d, S1-6_15, dii]**, that is, by the 31st of December 2024 **[S1-6_15, §50dii]**.

The total number of employees mentioned above is disclosed in Fundamentals of the Company and the Group, section Employees and qualifications, of the Combined management report **[S1-6_17, §50f]**.

Number of employees by country[1] **[S1-6_04, §50a] [S1-6_05, §50a]**	**2024**
Poland	249
Germany (excluding Eticur)	131
Portugal	97
Spain	65
Hungary	50

Number of employees by contract type and gender[1]	**2024**
Number of permanent employees **[S1-6_07, §50bi]**	538
Female	423
Male	115
Gender other than female and male	0
Gender not reported	0
Number of temporary employees **[S1-6_07, §50bii]**	53
Female	47
Male	6
Gender other than female and male	0
Gender not reported	0
Number of non-guaranteed hours employees **[S1-6_07, §50biii]**	0
Female	0
Male	0
Gender other than female and male	0
Gender not reported	0

The rate of employee turnover is calculated by dividing the total number of exits by the total number of employees at the end of the period **[MDR-M_02, §77a, AR59]**.

Turnover[1]	**2024**
Number of employees who have left FamiCord **[S1-6_11, §50c]**	86
Rate of employee turnover in the reporting period **[S1-6_12, §50c]**	15%

[1] Considering the five main geographies where the Group has more than 50 employees: Poland, Germany, Portugal, Spain and Hungary.

CHARACTERISTICS OF NON-EMPLOYEES IN THE UNDERTAKING'S OWN WORKFORCE (S1-7, MDRD-M)

FamiCord has non-employees in its own workforce, calculated as head count at the end of the reporting period **[S1-7_04; AR61 | S1-7_07; §55bi | S1-7_08, §55bii]**. Specifically for the companies PBKM and Stemlab S.A., there are cases of agreements with self-employed people working for the company (e.g.: Medical Director). For the remaining companies within the Group it was not possible to determine whether such situations exist **[S1-7_06, §55bi | MDR-M_02, §77a]**.

Non-employees in own workforce	**2024**
Total non-employees **[S1-7_01, §55a]**	17
Self-employed people **[S1-7_02, §55a]**	17
People provided by FamiCord primarily engaged in employment activities **[S1-7_03, §55a]**	0

DIVERSITY METRICS (S1-9, MRD-M)

Since the information is not centralized within the FamiCord Group, depending on the size and structure of each subsidiary, information may have been retrieved from the HR management system (either automatic or manually) and/or the payroll system **[MDR-M_02, §77]**.

Top management refers to all individuals employed in the management board of each company and also directors below management board positions. The data provided refers to the gender distribution at the highest levels of company management, specifically including the Manager and Board Member positions. These roles are classified as top management within the organization, as they are responsible for key strategic decision-making and overall company direction. The reported figures reflect the current composition of these positions, providing insights into gender representation at the executive level **[S1-9_06; AR71]**.

Gender distribution at top management level[1] **[S1-9_01, §66a] [S1-9_02, §66a]**	**Unit**	**2024**
Female	Head count	35
	%	56%
Male	Head count	27
	%	44%
Gender other than female and male	Head count	0
	%	0
Gender not reported	Head count	0
	%	0

Age distribution amongst employees	**Unit**	**2024**
Under 30 years old **[S1-9_03, §66b]**	Head count	126
	%	22%
Between 30 and 50 years old **[S1-9_04, §66b]**	Head count	354
	%	62%
Over 50 years old **[S1-9_05, §66b]**	Head count	94
		16%

ADEQUATE WAGES (S1-10)

At the FamiCord Group, all employees are compensated in accordance with regulations and in agreement between the employer and the employee. Each company is responsible, through its General Manager, to ensure that all employees receive fair and competitive wages aligned with the standards in each country and in the industry where the Group operates. All employees are compensated appropriately according to their roles and responsibilities, ensuring fairness and alignment with internal and external salary structures **[S1-10_01, §69]**.

[1] Considering the five main geographies where the Group has more than 50 employees: Poland, Germany, Portugal, Spain and Hungary.

HEALTH AND SAFETY METRICS (S1-14, MDR-M)

Although in some companies there may be automatic systems to calculate the working hours (e.g.: Portugal), in most of the cases the number of hours was estimated considering the total number of employees and the average expected working hours per day, according to the established employment agreements **[AR 90]**.

The data was collected by direct request to each company's General Manager or a designee. Data collected internally depending on each company's management system and not submitted to due diligence **[MDR-M_02, §77a]**.

Health and safety metrics[1]	Unit	2024
Employees covered by the company's health and safety management system based on legal requirements and/or recognized standards or guidelines **[S1-14_01, §88a]**	Head count	592
	%	100%
Total number of fatalities as a result of work-related injuries and work-related ill health of employees **[S1-14_02, §88b]**	Head count	0
Total number of fatalities of other workers working on undertaking's sites as a result of work-related injuries and work-related ill health **[S1-14_03, §88b]**	Head count	0
Total number of recordable work-related accidents of employees **[S1-14_04, §88c]**	Head count	0
Rate of recordable work-related accidents of employees **[S1-14_05, §88c]**	Number	10
	Rate	10.36

INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS (S1-17)

During the reporting period, the FamiCord Group did not record any incidents of discrimination, including harassment, nor any human rights incidents connected to own workforce **[S1-17_02, §103a | S1-17_10, §104a]**.

S4 – Consumers and end-users

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL (ESRS 2 SBM-3)

The materiality assessment identified several actual and potential impacts on consumers and end-users, all of which are closely connected to the Organization's strategy and business model. These material impacts inform and contribute to the ongoing adaptation of FamiCord's strategic direction and operational framework. Alongside these impacts, different material risks and opportunities for the business, arising from impacts and dependencies on consumers and end-users, were also identified **[§9 a i | §9 a ii | S4.SBM-3_06; §9 b / §10 d]**.

The Group's activity and strategic approach focuses on making stem cell treatments more accessible to a broader population. The identified impact **[I-032]** relates to the potential barrier posed by the high price of the service for lower-income groups, affecting social inclusion and access to healthcare services. To mitigate this impact, FamiCord supports the community through training and education programs, stem cell donation programs, and the development of more accessible payment options for cryopreservation services (see section S4-4) **[§9 a i]**.

Given the sensitive personal data managed by FamiCord, data privacy and protection are critical topics embedded in the risk management framework. The potential violation of privacy due to unauthorized disclosure of confidential and health-related data **[I-034]** is identified as a material negative impact. Additionally, the risk of data breaches or cyberattacks leading to litigation costs, regulatory fines, and reputational damage **[RO-034]** further emphasizes the importance of robust data security measures. Conversely, the opportunity to compile a comprehensive and diverse database **[RO-035]** could enable the expansion of FamiCord's service portfolio, providing additional value to stakeholders **[§9 a i | S4.SBM-3_06; §9 b / §10 d]**.

Ensuring the provision of clear, complete, and fact-based information to consumers is a strategic priority. A positive impact **[I-036]** is generated by distributing reliable information to families and healthcare professionals, enabling them to make informed decisions regarding the collection and storage of stem cells at birth. However, there is also a negative impact **[I-037]** of failing to meet customer expectations due to potential issues with sample quality, such as bacterial contamination or low cord blood volume collected. A risk **[RO-036]** related to the financial accessibility of the service, where price increases could exclude certain population groups from benefiting from cryopreservation services was also identified **[§9 a i | S4.SBM-3_06; §9 b / §10 d]**.

FamiCord is committed to improving patient health outcomes through the development and provision of advanced therapy medicinal products. A positive impact **[I-042]** arises from enabling access to innovative treatments for patients suffering from diseases with limited or no treatment options. However, a market risk **[RO-042]** has been identified due to the possibility that stored cord blood units may not be considered for therapeutic use by physicians, which could reduce the interest of families in stem cell storage services **[§9 a i | S4.SBM-3_06; §9 b / §10 d]**.

While some of these material impacts – such as data protection and customer satisfaction – are already embedded in FamiCord's strategic framework, others requiring additional actions will be addressed at a senior management level and incorporated into action plans as part of the internal decision-making process **[§9 a ii]**.

All consumers and end-users who may be materially impacted by FamiCord's operations are considered within the scope of these disclosures. These include parents-to-be, infants from whom umbilical cord blood and tissue are collected, patients receiving stem cell-based treatments with a stem cells product stored and/or manufactured by FamiCord, and healthcare professionals in need of standard or innovative treatment with umbilical cord or other sources of stem cells **[S4-SBM-3_01; §10 | S4-SBM-3_02; §10 a]**.

FamiCord places particular emphasis on ensuring that pregnant women receive accurate and non-misleading information about umbilical cord blood and tissue collection. Recognizing the sensitivity of this stage in life, marketing and commercial teams undergo training to ensure communication is factual and sourced from reliable references. In some cases, information is reviewed by the medical director or scientific department before public release **[S4-SBM-3_07; §11]**.

Material negative impacts, when present, can be either systemic, such as the limited access for lower-income groups due to the high cost of the service, or related to individual incidents, including those arising from a potential data breach or the failure to meet customer expectations regarding the storage of medicinal products for future treatments **[S4-SBM-3_04; §10 b]**.

On the other hand, collecting and storing the cells and tissues at birth of a child results in material positive impacts on the health of customers and families, as it gives them the opportunity to have this source of stem cells available for future treatment in case the need arises. To enhance these impacts, initiatives (see section S4-4) such as public stem cell donation programs and advanced cell and gene therapy developments aim to improve treatment accessibility for patients with limited therapeutic options. Additionally, more flexible payment plans are being explored to increase affordability for young parents-to-be **[S4-SBM-3_05; §10 c]**.

Within the material risks and opportunities outlined, some affect specific groups rather than the entire consumer base. Notably, the risk associated with service price increases predominantly affects lower-income groups, where young parents-to-be may be disproportionately impacted due to financial constraints that limit their ability to invest in stem cell cryopreservation **[S4-SBM-3_08; §12]**.

By systematically addressing these material IRO, FamiCord aims to align its strategy with the needs of consumers and end-users, ensuring responsible business practices and sustainable growth.

Description	**Impact, Risk or Opportunity**	**Time horizon**	**Value chain location**	**Sub-topic or related sub-sub-topic**
[SBM-3_01; §48 a] **[SBM-3_02; §48 a]**	**[SBM-3_01; §48 a]** **[SBM-3_02; §48 a]**	**[SBM-3_06; §48 c iii]**	**[SBM-3_01; §48 a]** **[SBM-3_02; §48 a]**	
Social responsibility and community engagement				
I-032 High price of service may pose an access barrier to the service and its benefits to some population groups with lower income.	Negative impact	–	Downstream	Social inclusion of consumers and/or end-users; Non-discrimination / Access to products and services

Description [SBM-3_01; §48 a] [SBM-3_02; §48 a]	Impact, Risk or Opportunity [SBM-3_01; §48 a] [SBM-3_02; §48 a]	Time horizon [SBM-3_06; §48 c iii]	Value chain location [SBM-3_01; §48 a] [SBM-3_02; §48 a]	Sub-topic or related sub-sub-topic
IT security and data protection				
I-034 Violation of privacy due to public disclosure of confidential, sensitive information and health data of clients or other stakeholders (e.g. due to data breach).	Negative impact	Short-term (< 1 year)	Downstream	Information-related impacts for consumers and/or end-users; Privacy
RO-034 Unauthorized disclosure of confidential customer data (i.e. personal information, health information) due to cyberattacks, data breaches, or misuse could result in litigation costs, regulatory fines, and reputational damage.	Risk	Short-term (< 1 year)	–	Information-related impacts for consumers and/or end-users; Privacy
RO-035 Compilation of a very diverse (patients, partners, health community professionals, suppliers, among others, from different geographies) and complete database, which will allow to expand the portfolio of products/services offered.	Opportunity	Medium-term (1 to 5 years)	–	Information-related impacts for consumers and/or end-users; Privacy
Service quality and customer satisfaction				
I-036 Positive impact on customer satisfaction, through distribution of reliable and quality information for both families and health care professionals, which allows them not to miss the unique opportunity to store stem cells collected at birth for future treatments.	Positive impact	–	Downstream	Information-related impacts for consumers and/or end-users; Access to (quality) information
I-037 Failure to meet with the customer's expectations of storing a medicinal product for future treatments, due to inferior quality of samples collected (e.g.: due to bacterial contamination at birth or low volume of cord blood collected).	Negative impact	–	Downstream	–
RO-036 High price of service leads to excluding some population groups with lower income.	Risk	Short-term (< 1 year)	–	–

Description [SBM-3_01; §48 a] [SBM-3_02; §48 a]	Impact, Risk or Opportunity [SBM-3_01; §48 a] [SBM-3_02; §48 a]	Time horizon [SBM-3_06; §48 c iii]	Value chain location [SBM-3_01; §48 a] [SBM-3_02; §48 a]	Sub-topic or related sub-sub-topic
Consumers and patients' safety and health				
I-042 The Group's activity creates chances for positive impact on health of customers and families, by developing and providing advanced therapy medicinal products, giving access to cell and gene therapies for patients with diseases with limited or non-existing treatment options.	Positive impact	–	Downstream	Personal safety of consumers and/or end-users; Health and safety
RO-042 Despite the availability of cord blood, the use of the unit in the therapy is not considered by doctors, posing a market risk for the Group due to decrease in the interest of families for the stem cells storage service.	Risk	Medium-term (1 to 5 years)	–	Personal safety of consumers and/or end-users; Health and safety

Note: For actual material impacts there is no associated time horizon.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

POLICIES RELATED TO CONSUMERS AND END-USERS (S4-1)

FamiCord is committed to addressing consumers' and end-users' needs and expectations through structured policies and practices that uphold ethical standards, data privacy, and product quality. Each policy – **Code of Conduct** (see Governance Information, section G1-1), **Privacy Policy**, and **Quality Management Policy** – serves as a cornerstone for managing FamiCord's IRO. They establish clear guidelines, define responsibilities at the senior level, and ensure availability across the organization, supporting a culture of accountability and consumer-centered decision-making **[S4-MDR-P_01; §65 a | S4-MDR-P_02; §65 b]**.

Policy	**Privacy Policy**
Key contents and general objectives **[S4-MDR-P_01; §65 a]**	The purpose of the Privacy Policy is to specify the principles and procedures for personal data protection and GDPR compliance, including data breach management.
Scope **[S4-MDR-P_02; §65 b]**	Applicable to all activities related to Personal Data treatment, in all FamiCord Group's geographies, and both upstream and downstream value chain. It affects all stakeholders impacted by the Group's personal data treatment activities.
Senior level accountable for the implementation of the policy **[S4-MDR-P_03; §65 c]**	General Managers in each company within the FamiCord Group.
Third-party standards or initiatives **[S4-MDR-P_04; §65 d]**	General Data Protection Regulation, (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016; Local laws.
Availability **[S4-MDR-P_06; §65 f]**	Policy is made available through each company's website.

Policy	**Quality Management Policy**
Key contents and general objectives **[S4-MDR-P_01; §65 a]**	The purpose of this Quality Management Policy is to specify the principles, norms and procedures that guarantee maximum quality of the medicinal products stored and/or manufactured and safety for the patients.
Scope **[S4-MDR-P_02; §65 b]**	Applicable to activities with impact in the quality of products and safety of patients, including medicinal products, manufacturing, testing, storage, collection and transportation in own operations, in countries with laboratory, and downstream value chain. It affects all consumers and end-users of the medicinal products manufactured and/or stored and released by the Group's laboratories.
Senior level accountable for the implementation of the policy **[S4-MDR-P_03; §65 c]**	General Managers in each company within the FamiCord Group.

Policy	**Quality Management Policy**
Third-party standards or initiatives **[S4-MDR-P_04; §65 d]**	International standards, as applicable (e.g. AABB standards for cellular therapies)
Availability **[S4-MDR-P_06; §65 f]**	Policy is available for stakeholders who need to implement it, in internal documentation management systems.

The Group's material IRO demonstrates the importance of these policies. For instance, the risk of unauthorized disclosure of confidential customer data and the impact of a violation of privacy due to public disclosure of sensitive health data reinforce the critical role of the Privacy Policy in safeguarding personal information, ensuring compliance with data protection laws, and maintaining consumer trust. At the same time, the opportunity to compile a diverse and comprehensive database highlights the Group's ability to responsibly expand its service offerings while upholding strict data security and ethical privacy standards **[S4-MDR-P_01; §65 a]**.

The potential market risk due to limited adoption of stem cell therapies by doctors underscores the value of the Quality Management Policy in ensuring product efficacy and increasing awareness among healthcare professionals. Similarly, the risk of failing to meet customer expectations due to inferior quality samples emphasizes the importance of stringent quality control measures embedded within the same policy. Additionally, the positive impact on customer satisfaction through the distribution of reliable and quality information aligns with the Group's commitment to transparency, ensuring that both families and healthcare professionals can make informed decisions **[S4-MDR-P_01; §65 a]**.

The high price of services presents a dual challenge: it is both a negative impact on social inclusion and a risk of excluding lower-income population groups from accessing the Group's offerings. While no specific policy directly addresses affordability, the ethical principles outlined in the Code of Conduct reinforce the Group's commitment to non-discrimination and equitable access where possible. Moreover, the positive impact on consumer health through access to advanced therapy medicinal products further aligns with the Group's mission to provide cutting-edge treatments, emphasizing the role of ethical and quality frameworks **[S4-MDR-P_01; §65 a]**.

Besides the above-mentioned policies, in each company there are additional policies and procedures addressing material sustainability topics, according to local laws and to internal organization system **[S4-MDR-P_01; §65 a]**.

While there is no standalone Human Rights Policy at Group level, the Group's Code of Conduct – which covers all consumers and end-users - embodies a strong commitment to human rights encompassing a range of ethical and responsible practices **[S4-1_01; §15]**. In addition to explicitly rejecting any form of exploitation, forced or child labor, the Code also ensures that consumer rights are respected. The Group is committed to providing products and services that do not harm the health and safety of consumers, ensuring that its operations and products meet ethical and legal standards. Transparency in its business practices and social responsibility are part of its commitment to human rights, focusing both on consumer respect and labor conditions **[S4-1_02; §16]**.

Consumer insights are gathered through various channels, such as market research, satisfaction surveys, client suggestions, and feedback from healthcare professionals. The Group proactively shares quality data through product quality certificates and newsletters detailing successful treatments and key milestones. Additionally, potential adverse impacts are transparently communicated through informed consents. In case of a data breach, FamiCord follows General Data Protection Regulation and local laws for incident notification and management **[S3-1_04; §16 b]**.

Despite the lack of alignment with internationally recognized instruments like the UN Guiding Principles on Business and Human Rights, no reported violations of these frameworks have occurred involving consumers and/or end-users within the Group's value chain **[S4-1_06; §17 I S4-1_07; §17]**. Complementary policies tailored to local legal requirements and the internal organizational system further strengthen consumer protection and sustainability efforts.

The following information is incorporated by reference to other parts of the non-financial statements:

- Presentation of the Code of Conduct: MDR-P, ESRS 2, §65 b/c/f/e – Governance Information, section G1-1.

PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS (S4-2)

FamiCord Group maintains an ongoing and multifaceted engagement process with consumers and end-users, recognizing the importance of their perspectives in shaping decisions and activities to manage actual and potential impacts **[S4-1_01; §20]**. Engagement occurs throughout every stage of the cryopreservation journey – from initial contact during pregnancy to post-treatment follow-ups – ensuring that consumers' voices are consistently heard and considered.

Before birth, FamiCord provides comprehensive information to parents-to-be through multiple channels, including telephone, email, chat, face-to-face meetings, and digital platforms such as websites, social media, forums, and blogs. The goal is to support informed decision-making regarding the collection and storage of umbilical cord and perinatal tissues. The frequency of engagement varies according to the period leading up to birth and the specific informational needs of each family **[S4-2_03; §20 b]**.

Once parents decide to store their baby's cells, FamiCord shares detailed information about sample collection, transport, and initial donor eligibility documentation. This stage involves continuous interaction, primarily through email, telephone, or in-person meetings, with the frequency adjusted to meet the parents' evolving needs **[S4-2_03; §20 b]**.

After birth, the Group maintains close communication with families to confirm sample reception in the laboratory, share cryopreservation results, and provide periodic updates through newsletters highlighting relevant stem cell research and company milestones. Customers can update personal data, request sample transfers, or initiate releases for medical treatments at any point during the storage period, with engagement frequency dictated by their needs **[S4-2_03; §20 b]**.

When a sample is requested for treatment, interactions intensify to ensure patient safety. The Group gathers necessary documentation and information, engaging directly with the family and healthcare professionals via telephone and email. Certain companies within the FamiCord Group provide dedicated Patient Navigators to support families throughout the treatment journey, from sample release to outcome monitoring. Post-treatment follow-ups are conducted with the family or the treating physician to assess results and address any incidents or adverse reactions related to the sample **[S4-2_03; §20 b]**.

Upon the conclusion of the storage period, FamiCord contacts the family and the sample owner to determine the sample's future. This may lead to a new agreement and updates to the customer's personal data, with the frequency of interactions tailored to the family's preferences and decisions **[S4-2_03; §20 b]**.

Throughout all these stages, consumers can communicate their needs, expectations, and complaints via any interaction channel. Feedback is analyzed internally through each company's deviation/complaint management system, and insights from this analysis drive process improvements **[S4-2_01; §20]**. The Group actively monitors customer satisfaction through surveys, including Net Promoter Score (NPS) metrics, particularly after completion of laboratory procedures. Engagement during pregnancy is also evaluated through the number of service agreements finalized **[S4-2_05; §20 d]**.

Depending on the size and structure of each company within the Group, consumer engagement responsibilities may lie with a Commercial or Sales Director or, in smaller entities, the General Manager. In all cases, the General Manager oversees the engagement process and reports to the Management Board as necessary **[S4-2_04; §20 c]**.

This robust engagement framework ensures that consumer and end-user feedback is not only heard but actively incorporated into continuous improvements, reinforcing the Group's commitment to consumer-centric practices and long-term sustainability.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS (S4-3)

When a material negative impact occurs on consumers or end-users, FamiCord initiates a structured incident reporting process. This process begins with registering the incident, describing the situation, and identifying aspects that require correction. After the initial analysis, improvement actions are defined, along with deadlines for their implementation. Once the actions are in place, their effectiveness is evaluated to ensure that the factors causing negative impacts have been eliminated and that the company's processes are better aligned with consumer and end-user needs **[S4-3_01; §25 a]**.

The Group assesses the effectiveness of remedies provided for material negative impacts, although there is no standardized procedure across all companies within the Group. Depending on each company's internal organization, different methods may be used to evaluate whether corrective actions have resolved the identified issues. For example, at Stemlab in Portugal, a formal procedure addresses incidents and non-conformances, including a mandatory effectiveness evaluation after a defined period following remedy implementation **[S4-3_01; §25 a]**.

Consumers and end-users can report complaints through various channels, which vary by company. For instance, in FamiCord AG and PBKM, the complaint procedure is outlined in client contracts, and complaints are accepted via mail, email, or phone. In Stemlab, a physical and digital Complaints Book is available, accessible at the company's headquarters or through the website. Across all companies, customers can submit feedback through satisfaction questionnaires, email, phone, or post **[S4-3_02; §25 b]**.

Certain countries also mandate national complaint platforms. For example, in Portugal, companies are legally required to provide access to a national Complaints Book, offering consumers an additional formal channel for raising concerns **[S4-3_10; AR 21]**.

Internally, complaint management systems differ across the Group's companies. For example, FamiCord AG manages complaints through a dedicated Customer Relationship Management system, PBKM maintains a Complaints Summary, and Stemlab follows a defined non-conformance and complaint management procedure **[S4-3_04; §25 d]**.

FamiCord also assesses whether consumers and end-users are aware of and trust these structures or processes. This assessment is conducted through service contracts, where the complaints procedure is explicitly outlined, and/or through satisfaction questionnaires that invite customers to share any unresolved concerns or complaints **[S4-3_05; §26]**.

This decentralized yet responsive approach ensures that negative impacts are swiftly addressed, with lessons learned feeding back into continuous process improvement, reinforcing FamiCord's commitment to protecting consumer and end-user well-being.

TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS, AND EFFECTIVENESS OF THOSE ACTIONS (S4-4, MDR-A)

The Group proactively takes action to mitigate and address material negative impacts on consumers and end-users, as well as to manage associated risks and explore opportunities for positive impact. One of the key actions implemented is offering different service access possibilities through flexible pricing models, aimed at reducing financial barriers to service access **[S4-4_01; §31 a]**. These pricing models arose from the understanding that families with lower incomes may face challenges in accessing cryopreservation services.

In addition to flexible pricing, FamiCord supports donation programs, which extend treatment opportunities not only to consumers but also to the wider community. Education programs are another strategic initiative, designed to disseminate quality information and raise awareness about stem cell treatments, preventing missed opportunities for access to potentially life-changing therapies **[S4-MDR-A_04; §68 d | S4-4_02; §31 b]**.

The FamiCord Group takes deliberate steps to avoid causing or contributing to material negative impacts through its internal practices, including marketing, sales, and data management. The management board and the general managers of each subsidiary oversee these practices, ensuring that risk assessments, data protection impact analyses, and medical and scientific reviews of marketing materials are conducted whenever procedural changes occur. This oversight helps prevent unintended negative consequences for consumers and end-users **[S4-4_10; §34]**.

There have been no reported severe human rights issues or incidents related to consumers and end-users within the Group **[S4-4_11; §35]**. Instead, FamiCord remains focused on fostering positive impacts through accessibility and education programs, reinforcing its commitment to customer well-being **[S4-4_03; §31 c]**.

The FamiCord Group closely monitors consumer satisfaction through customer satisfaction questionnaires, which are in place across most subsidiaries. These surveys help assess the quality of services, identify areas for improvement, and ensure alignment with customer expectations **[S4-4_04; §31 d]**.

Material risks related to consumers and end-users are integrated into the Group's overarching risk management system **[AR40]**. Subsidiaries are required to address essential consumer-related risks, such as data protection, product quality, and service accessibility. Additionally, subsidiaries are encouraged to identify and manage region-specific risks relevant to their local markets. To address the risk of declining service demand, FamiCord combines its flexible pricing models with public-facing initiatives to raise awareness about stem cell treatments and their potential benefits **[S4-4_08; §33 a]**. Regarding the pursuit of material opportunities for the Organization in relation to consumers and end-users, this information is considered confidential and is therefore not publicly disclosed **[S4-4_09; §33 b]**.

This comprehensive approach ensures that the Group not only mitigates risks and addresses negative impacts but actively works toward creating long-term, positive outcomes for consumers and end-users, and the broader community.

The actions/action plan require significant operational expenditures (OpEx) which are planned in each company's annual budget **[S4-MDR-A_10; §69 b | S4-DRA-A_12; §69 c]**.

Disclosure of key actions [S4-MDR-A_01; §68 a]	**Status of key action** [S4-MDR-A_01; §68 a]	**Scope of actions** [S4-MDR-A_02; §68 b]	**Time horizon** [S4-MDR-A_03; §68 c]	**Results** [S4-MDR-A_01; §68 a]
Different service access possibilities through flexible pricing models: Companies offer their customers several pricing models, such as: annual payment, prepaid payment, monthly subscription (in the case of PBKM) and a specific payment model for parents under 30 years (in the case of Stemlab). In some countries, instalments through financial partners are also available.	Taken and planned	Applies across all geographies and has impact on the downstream value chain consumers that can choose how to access cryopreservation services with less financial impact to the families.	Ongoing (this action is permanently on the agenda)	The expected outcome is that more population can access cryopreservation services, since the implementation of the action contributes to minimize the access to the service barrier.
Donation Program: Involves operating public bank and/or establishing partnerships with hospitals or with associations that promote blood donation, in order to make available a pool of cord blood samples to be used in R&D programs for the development of new medicines and also available for transplantation for a patient in need of a stem cell treatment.	Taken and planned	Applies in Poland, Germany and Portugal. It has impact on the downstream value chain communities.	Action is ongoing, being renewed according to the needs of the communities.	The expected outcome is to increase the pool of stem cells to be used by the clinics performing this kind of treatment and, in this way, increase the number of patients to be treated and to have access to cell therapies.
Educational Program: Companies within the FamiCord Group foster the delivery of quality information about stem cells. This is done in several different ways, such as: regular newsletters to consumers and end-users, with recent news about stem cells applications; regular presence in events, both for health care professionals and parents-to-be; regular training sessions in hospitals to share best samples collection practices, as well as stem cells advantages.	Taken and planned	Applies across all geographies, involving both hospitals and healthcare professionals, with impact on the downstream value chain affected communities and consumers.	Ongoing (this action is permanently on the agenda)	The expected outcome is the increase in awareness of the population, leading to an increase in the samples stored and to the increase of the treatments performed with the stem cells stored in the Group laboratories.

TARGETS AND METRICS

TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES (S4-5, MDR-T)

The establishment of targets is a key practice for measuring the Group's performance and ensuring alignment with its strategic objectives. In the context of consumer experience, a target focused on consumer satisfaction has been set. This target is aligned with the EU's 2020 New Consumer Agenda **[S4.MDR-T_09; §80 f]** and is measured through the Net Promoter Score (NPS) **[MDR-M_01; §75]**. It reflects a commitment to enhancing consumer experience and engagement, with the aim of continuously improving the quality of the services provided.

The target measures the brand promoters, i.e., consumers that are satisfied with the FamiCord service and for that reason are available to recommended stem cells cryopreservation. In this perspective, consumers are actors in educational programs that allow the community to have access to more treatment options **[S4-MDR-T_01; §80 a]**.

The target is absolute and the NPS is calculated by subtracting the percentage of detractors from the percentage of promoters and is assessed on a scale from −100 to +100 **[S4-MDR-T_03; §80 b | MDR-M_02; §77 a]**.

The Group has established an **NPS of 75 as the threshold for Excellence**. Accordingly, the target is to maintain the NPS above this level **[S4-MDR-T_02; §80 b]**. The target focuses on the downstream value chain (consumers) and applies to the PBKM subgroup, as the NPS scoring system has not yet been implemented at FamiCord AG, although the process of implementation is ongoing **[S4-MDR-T_04; §80 c]**.

The client satisfaction questionnaire is sent in two stages to evaluate both the sales process and the operational process. Each quarter, consumer data is carefully analyzed at the company level and shared with the respective teams, fostering transparency and informed decision-making. Regular evaluations ensure ongoing assessment, with quarterly reviews helping track progress and identify trends **[S4-MDR-T_13; §80 j]**. With NPS performance exceeding 75, FamiCord is currently focused on improving the response rate.

Target and objective	**Baseline (baseline value and base year)**	**Associated metric**	**Performance**			**Results to achieve**
[S4-MDR-A_01; §68 a]	**[S4-MDR-T_05; §80 d) I S4-MDR-T_06; §80 d]**	**[MDR-M_01; §75]**	**[S4-MDR-T_13; §80 j]**			**[S4-MDR-T_07; §80 e]**
			2022	2023	2024	
Evaluate client satisfaction	Baseline value: 78, which corresponds to the value achieved in the first year of measurement. Baseline year: 2022	Net Promoter Score (NPS)	78.05 (PBKM sub-group)	78.68 (PBKM sub-group)	79.87 (PBKM sub-group)	NPS above 75 (ongoing target, with evaluation performed every quarter)

Note 1: The method for calculating the target/metric has remained unchanged from the previous year **[S4.MDR-T_12, §80 i]**, with no errors identified for previous periods **[BP-2_13 to BP-2_15; §13 / §14]**.

Governance Information

G1 – Business Conduct

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL [SBM-3]

At FamiCord Group, responsible business conduct is foundational to driving sustainable growth and delivering long-term value. Through a thorough assessment of material impacts, risks, and opportunities, the Group gains valuable insights into how its activities influence public health, economic stability, and societal well-being. This process enables the company to identify the areas where it can generate the most positive impact, mitigate potential risks, and seize strategic opportunities that align with its mission and business model.

For example, FamiCord's contributions to public health – through the storage and provision of cell therapy products, participation in clinical studies, and support for public cell banks – promote medical advancements and broaden access to innovative treatments **[I-043]**. Internally, fostering a positive corporate culture and promoting responsible practices through ethics and compliance training reinforces employee integrity and enhances organizational performance **[I-047 | RO-044]**.

At the same time, the identification of material risks allows FamiCord to proactively address critical vulnerabilities. These include the potential misuse of donated biological material, supply chain disruptions, or reputational risks stemming from human rights violations **[RO-045 | RO-049 | RO-050]**. By understanding these risks, the Group can implement robust governance measures and strengthen supplier relationships to ensure service continuity and protect its reputation **[G1-MDR-P_01; §65 a]**.

Furthermore, this assessment highlights opportunities to drive both business success and societal impact. Strengthening supplier collaborations not only optimizes efficiencies and leverages economies of scale but also encourages the co-development of products and services with positive environmental and social outcomes **[RO-051 | I-052]**. Timely payments to suppliers and subcontractors contribute to economic stability, while ongoing innovation enhances the Group's competitive positioning **[I-051 | RO-051]**.

By integrating the results of the impact, risk, and opportunity analysis into its overall strategy, FamiCord ensures that sustainability is deeply embedded in its approach to responsible business conduct. These insights help shape how the Group manages its relationships with stakeholders, ensures transparency, and upholds ethical standards across its operations. Within this context, the FamiCord Group's strategic pillars demonstrate a strong alignment with principles of sound governance and accountability. For example, the development of cell therapies and the commitment to improving public health through stem cell treatments reflect the Group's dedication to ethical innovation and long-term value creation. Ongoing investments in research and development are guided by stakeholder needs and managed through clearly defined internal processes, reinforcing integrity in decision-making. The presence of laboratories in multiple locations highlights the Group's focus on accessibility and client proximity, supporting responsible service delivery. The emphasis on the quality of cryopreserved biological products, backed by accreditations and certifications, underscores a commitment to maintaining high standards of reliability and compliance. In addition, initiatives that promote employee health and well-being, as well as efforts to manage resources and the supply chain efficiently, reflect an integrated approach to operational ethics, fairness, and risk management.

The following table provides a detailed overview of the material impacts, risks, and opportunities identified that are specifically related to G1 – Business Conduct.

Description [SBM-3_01; §48 a | SBM-3_02; §48 a]	**Impact, Risk or Opportunity** [SBM-3_01; §48 a | SBM-3_02; §48 a]	**Time horizon** [SBM-3_06; §48 c iii | ESRS2 48ciii]	**Value chain location** [SBM-3_01; §48 a | SBM-3_02; §48 a]	**Sub-topic or related sub-sub-topic**
Business conduct				
I-043 Enhancement of public health, promoting a healthier and more resilient society, is achieved through the storage and provision of cell therapy products to healthcare professionals, contributions to public cell banks, and active participation in clinical studies. This positively impacts medical advancements and broadens access to innovative treatments.	Positive impact	–	Upstream, Own operations, Downstream	Corporate culture
RO-045 Inappropriate use of donated biological material from donors for the purposes of research and development, which can expose FamiCord Group to legal risks and reputational damage.	Risk	Short-term (< 1 year)	Own operations	Corporate culture
RO-044 Increased performance due to a positive corporate culture.	Opportunity	Medium-term (1 to 5 years)	Own operations	Corporate culture
Ethics, integrity and compliance				
I-047 Contributing to a better society by promoting responsible practices by employees through training and dissemination of information on the topic of ethics, integrity and compliance.	Positive impact	Short-term (< 1 year)	Own operations	Corruption and bribery – Prevention and detection including training

Description [SBM-3_01; §48 a I SBM-3_02; §48 a]	**Impact, Risk or Opportunity** [SBM-3_01; §48 a I SBM-3_02; §48 a]	**Time horizon** [SBM-3_06; §48 c iii]	**Value chain location** [SBM-3_01; §48 a I SBM-3_02; §48 a]	**Sub-topic or related sub-sub-topic**
Relationship with suppliers				
I-051 Boosting the economy, enhancing stability and growth, through timely payments to suppliers and subcontractors	Positive impact	–	Upstream, Downstream	Management of relationships with suppliers including payment practices
I-052 Encourage the development of products and services with positive impacts (reduce resource consumption, improve patients' wellbeing, etc.), through partnerships and collaboration with the suppliers	Positive impact	Medium-term (1 to 5 years)	Upstream, Own operations, Downstream	Management of relationships with suppliers including payment practices
RO-049 Inadequate supply chain risk management leads to reputational risks related to violation of human rights, supply bottlenecks, poor production outcome quality, etc.	Risk	Short-term (< 1 year)	Own operations	Management of relationships with suppliers including payment practices
RO-050 Supply failures (e.g. laboratory supplies, liquid nitrogen or packaging material for the cell collection kits) with implications on the services provided by the Group due to the impossibility of storing the biological material on time.	Risk	Short-term (< 1 year)	Own operations	Management of relationships with suppliers including payment practices
RO-051 Strengthening competitive positioning of the Group in terms of superior relative competitiveness through Group synergies, efficiencies and leveraging scale with suppliers	Opportunity	Short-term (< 1 year)	Own operations	Management of relationships with suppliers including payment practices

Note: For actual material impacts there is no associated time horizon.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES (G1-1, MDR-P)

To support its strategic objectives and address material impacts, risks, and opportunities, the FamiCord Group has established a set of comprehensive policies that guide business conduct and promote ethical decision-making. These policies are integral to mitigating key risks, strengthening corporate culture, and fostering trust with stakeholders **[G1-MDR-P_01; §65 a]**.

The Management Board of FamiCord established a Compliance Center of Expertise in Poland, managed by the Director of Legal & Regulatory Affairs and Compliance Officer in PBKM. Along with the establishment of this Center of Expertise, FamiCord also took a decision to organize an **International Compliance Team (ICT)**, composed of members from each subsidiary within the FamiCord Group holding the position of Board Members or, in larger companies, be individuals responsible for compliance matters, such as compliance officers or heads of human resources departments. Starting in 2025, the ICT will hold regular meetings to discuss, expand knowledge, and exchange views on corporate culture, with the primary goal of unifying and deepening ethical practices across the Organization through ongoing meetings, training sessions, and newsletters. This initiative reinforces the Group's commitment to aligning business conduct with its strategic objectives and material IRO **[G1-1_01; §9 | | G1-1_10; §10 g]**.

In the specific case of PBKM, where the compliance center has been established, each employee hired by this company undergoes **comprehensive training** on business conduct, ensuring that ethical practices are ingrained from the very start of their employment. Beyond individual policies, PBKM implemented a **full compliance system** with detailed procedures covering areas such as offering and accepting gifts, contractor verification, marketing activities, and handling inspections. These structured guidelines form a robust framework to prevent misconduct, protect the company's reputation, and promote responsible practices at all levels **[G1-1_10; §10 g]**.

The **Code of Conduct,** applicable to all activities developed by the companies within the FamiCord Group, covers all consumers and/or end-users and serves as the foundation, setting clear expectations for employee behavior and promoting integrity across all operations. This directly contributes to reducing the risk of unethical practices while enhancing the Group's reputation and internal cohesion **[S4-1_01; §15 | G1-MDR-P_01; §65 a]**. Complementing this, the Anti-Corruption Code reinforces FamiCord's zero-tolerance stance on corrupt practices, safeguarding the Group from legal and reputational risks tied to unethical business dealings **[G1-MDR-P_01; §65 a]**.

Recognizing the importance of proactive risk management, FamiCord's **Risk Management Policy** provides a structured framework for identifying, assessing, and mitigating potential threats. This policy is essential for addressing risks such as supply chain disruptions or inappropriate use of biological material, ensuring business continuity and operational resilience **[G1-MDR-P_01; §65 a]**. Additionally, the **Whistleblowing Procedure** empowers employees to report misconduct without fear of retaliation, further strengthening the Group's commitment to transparency and continuous improvement **[G1-MDR-P_01; §65 a]**.

Together, these policies form a cohesive system that not only protects the Organization from adverse impacts but also unlocks opportunities for enhanced performance, stakeholder confidence, and sustainable growth.

The following tables provide detailed insights into each policy, outlining their purpose, scope, and contribution to the FamiCord Group's broader business strategy.

Policy	**Code of Conduct**
Key contents and general objectives **[G1-MDR-P_01; §65 a]**	The principles, norms and values that the Organization defends and practices in their daily activities. Serves as a guideline for responsible and ethical decisions, especially in critical situations.
Scope **[G1-MDR-P_02; §65 b]**	Applicable to all activities developed by the companies within the FamiCord Group, in all geographies, and both upstream and downstream value chain. It affects all stakeholders interacting directly or indirectly with the Group.
Senior level accountable for the implementation of the policy **[G1-MDR-P_03; §65 c]**	Management Board of FamiCord AG.
Third-party standards or initiatives **[G1-MDR-P_04; §65 d]**	Local laws and international guidelines.
Availability **[G1-MDR-P_06; §65 f]**	The policy is made available through each company's website.

Following the detailed overview of the **Code of Conduct**, it's important to note its close connection to several material IRO related to business conduct, including promoting public health, mitigating legal and reputational risks, and enhancing corporate performance through positive culture **[G1-MDR-P_01; §65 a]**. To ensure ongoing alignment with these priorities, FamiCord monitors compliance through various mechanisms, including **incident tracking**, **claims management**, and **whistleblowing reports**. These processes provide valuable feedback loops, enabling the Group to continuously refine its practices and uphold the highest standards of business integrity **[G1-MDR-P_01; §65 a]**.

Policy	**Anti-Corruption Code**
Key contents and general objectives **[G1-MDR-P_01; §65 a]**	The purpose of this Anti-Corruption Code is to specify the basic rules of conduct applicable in the FamiCord Group, which are to prevent any corrupt behaviors and to build an organizational culture that rejects corruption and promotes ethical attitudes among all employees.
Scope **[G1-MDR-P_02; §65 b]**	Applicable to all activities developed by the companies within the FamiCord Group, in all geographies, and has impact on administrative, management and supervisory bodies, as well as employees.
Senior level accountable for the implementation of the policy **[G1-MDR-P_03; §65 c]**	Management Board of FamiCord AG.
Third-party standards or initiatives **[G1-MDR-P_04; §65 d]**	UN Convention against Corruption of 31 October 2003 and the OECD Guidelines **[G1-1_03; §10 b]**.
Availability **[G1-MDR-P_06; §65 f]**	Policy available for stakeholders who need to implement it, in local documentation management systems and on the company's website for PBKM.

Similarly to the Code of Conduct, the **Anti-Corruption Code** plays a crucial role in addressing corruption and bribery risks, which are directly linked to promoting responsible practices **[G1-MDR-P_01; §65 a]**. Employees are encouraged to report any unlawful behavior to their direct manager, a member of the ICT, or through the whistleblower channel where available. These mechanisms are accessible to both internal and external stakeholders, ensuring transparency and accountability. The functions most at risk of corruption – including medical consultants, the marketing and sales department, and the Management Board – are closely monitored. Incidents, claims, and whistleblowing reports serve as essential tools to track policy compliance, while procedures for independent and objective investigations ensure that any misconduct is addressed promptly and fairly **[G1-1_02; §10 a | G1-1_11; §10 h | G1-1_08; §10 e]**.

Policy	**Risk Management Policy**
Key contents and general objectives **[G1-MDR-P_01; §65 a]**	The purpose of this policy is to set out the key principles and expectations to support the effective management of risks to FamiCord Group's activities, objectives and strategy, and to promote transparency and integrity in FamiCord Group's decision-making. It includes establishing a comprehensive framework for identifying, assessing, controlling, and communicating risks.
Scope **[G1-MDR-P_02; §65 b]**	Applicable to all activities developed by the companies within the FamiCord Group, in all geographies, and has impact on administrative, management and supervisory bodies, as well as employees.
Senior level accountable for the implementation of the policy **[G1-MDR-P_03; §65 c]**	Management Board of FamiCord AG.
Third-party standards or initiatives **[G1-MDR-P_04; §65 d]**	Besides local laws and guidelines, ISO 9001:2015 and ISO 31000:2018 were also considered.
Availability **[G1-MDR-P_06; §65 f]**	Policy available for stakeholders who need to implement it, in local documentation management systems.

Recognizing the importance of proactive risk management, FamiCord's **Risk Management Policy** provides a structured framework for identifying, assessing, and mitigating potential threats. This policy plays a central role in managing all aspects of the material IRO, from enhancing public health to mitigating reputational and operational risks **[G1-MDR-P_01; §65 a]**. Half-year risk reports are submitted to the Management Board and the Audit Committee, with a particular focus on Top and Tail End Risks. These high-priority risks are discussed during regular business performance review meetings, ensuring that decision-makers remain informed and can take timely action. This monitoring process strengthens the Group's resilience and supports its long-term strategic goals by continuously refining risk mitigation strategies in response to evolving challenges **[G1-MDR-P_01; §65 a]**.

Policy	**Whistleblowing procedure**
Key contents and general objectives **[G1-MDR-P_01; §65 a]**	The purpose of this policy is to define what is considered an irregularity, the channels for submission of irregularities, and the scope of protection for whistleblowers.
Scope **[G1-MDR-P_02; §65 b]**	Applicable to all activities developed by the companies within the FamiCord Group, in Germany, Hungary, Poland and Portugal. It has impact on administrative, management and supervisory bodies, as well as employees.
Senior level accountable for the implementation of the policy **[G1-MDR-P_03; §65 c]**	Management Board in the subsidiaries applying the procedure.
Third-party standards or initiatives **[G1-MDR-P_04; §65 d]**	Local laws.
Availability **[G1-MDR-P_06; §65 f]**	Policy available in the websites of the companies where the policy exists, and also within the internal documentation management system, if applicable.

The **Whistleblowing Procedure** is a vital element of FamiCord's commitment to maintaining high standards of business conduct and integrity. Aligned with key material impacts and risks related to business conduct, legal and reputational risks, and corporate performance **[G1-MDR-P_01; §65 a]**, this procedure ensures that employees and external stakeholders can report irregularities or unethical behavior confidentially, without fear of retaliation. The reports are closely monitored, and compliance with business conduct-related policies is assessed through incident tracking and whistleblowing reports, which are submitted to the Management Board for review **[G1-MDR-P_01; §65 a | G1-1_05; §10 c | G1-1_06; §10 d | G1-1_08; §10 e]**.

Several companies within the Organization, including PBKM, DBKM, FamiCord AG, Stemlab, and Krio Intezet, have implemented whistleblowing procedures in accordance with the EU Directive 2019/1937, ensuring the protection of whistleblowers. A total of 504 employees were covered by this procedure by the end of this reporting year. Other companies in the Organization have established similar protocols, directing reports of irregularities to the ICT members or direct supervisors. To further support this procedure, employees are provided with training, and designated staff responsible for receiving reports are trained to handle concerns fairly and confidentially. This system strengthens FamiCord's commitment to transparency, accountability, and continuous improvement, ensuring that all reports are addressed promptly and in line with the Group's ethical standards **[G1-1_12; §11 | G1-1_05; §10 c | G1-1_10; §10 g]**.

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS (G1-2, MDR-P)

Effective management of supplier relationships is a cornerstone of FamiCord's approach to sustainable business practices. Currently, supplier management is conducted locally within each subsidiary, where risks and opportunities related to suppliers are incorporated into the corporate Risk Management System. This localized approach ensures that the specific needs and challenges of each region are addressed while maintaining a consistent focus on the broader corporate goals of responsible sourcing, ethical business conduct, and sustainability **[MDR-P_07; §62]**.

Recognizing the critical importance of supplier relationships to its overall sustainability strategy, the Group is prioritizing the establishment of a comprehensive corporate policy for supplier management in 2025 **[MDR-P_07; §62]**.

By focusing on strengthening supplier relationships and embedding sustainability into procurement practices, the Group is committed to creating a more responsible, resilient, and transparent supply chain that contributes to its long-term success and positive societal impact.

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY (G1-3, MDR-P)

FamiCord is committed to maintaining the highest ethical and operational standards, with robust procedures in place to prevent, detect, and address allegations or incidents of corruption and bribery. The Organization has implemented comprehensive policies, including an **Anti-Corruption Code** and a **Risk Management Policy**, to ensure that all employees and management operate with integrity and accountability **[G1-3_01; §16 | G1-3_01; §18 a]**.

The **Anti-Corruption Code** outlines corruption-related issues and establishes clear principles that employees must adhere to in their daily professional duties. Additionally, certain companies within the Organization (PBKM, DBKM, Stemlab, FamiCord AG and Krio Intezet Zrt) have introduced a dedicated **whistleblowing procedure for reporting irregularities**. In companies not legally required to implement this procedure, employees can still report instances of corruption or irregularities in accordance with the Anti-Corruption Code **[G1-3_01; §18 a]**.

The **Policy on Risk Management** is designed to identify departments most vulnerable to irregularities, including corruption and bribery, and is primarily targeted at managers. These managers receive specialized training to understand and mitigate these risks effectively **[G1-3_01; §18 a]**.

To ensure **impartiality**, investigations are handled by an independent investigator or committee, separate from the management chain responsible for corruption prevention and detection **[G1-3_02; §18 b]**.

The Organization has a **structured process for reporting investigation outcomes** to the administrative, management, and supervisory bodies. In cases of positive verification of a report, the Compliance Officer or Head of Compliance informs the relevant Manager and initiates investigative actions. If the violation is severe or requires high-level decision-making, the Compliance Officer escalates the case to the Board of Directors, presenting a follow-up action plan. The Board decides on the necessary actions, appoints a person responsible for implementation, and receives a final report detailing the results and any recommendations for further preventive measures **[G1-3_03; §18 c]**.

Policies on corruption and bribery prevention are **communicated** to all relevant personnel via email, newsletters, the company intranet, and dedicated training sessions, with oversight from the Management Board or the ICT **[G1-3_05; §20]**.

Furthermore, employees across the Organization are required to complete **training** in the Anti-Corruption Code and, where applicable, the whistleblowing procedure. Managers also undergo specialized training on the Risk Management Policy. Similarly, members of administrative, supervisory, and management bodies receive ongoing training, reflecting the Organization's commitment to fostering a culture of integrity, transparency, and accountability at every level **[G1-3_06; §21 a | G1-3_08; §21 c]**.

Through these measures, FamiCord Group actively works to mitigate corruption and bribery risks, promoting ethical business conduct and reinforcing stakeholder trust in its commitment to responsible corporate governance.

ACTIONS AND RESOURCES IN RELATION TO MATERIAL SUSTAINABILITY MATTERS (MDR-A)

During the reporting year, FamiCord took significant steps to strengthen its sustainability practices, with a primary focus on preventing, identifying, and addressing potential incidents related to corruption and bribery.

These proactive actions and ongoing resource allocations reflect the Organization's dedication to embedding sustainability into every aspect of its operations, building long-term resilience, and fostering trust with stakeholders.

Disclosure of key actions [G1-MDR-A_01; §68 a]	Status of key action [G1-MDR-A_01; §68 a]	Scope of actions [G1-MDR-A_02; §68 b]	Time horizon [G1-MDR-A_03; §68 c]	Results [G1-MDR-A_01; §68 a]
Risk Management System	Taken	Implemented across all subsidiaries to systematically identify, assess, and mitigate corruption and bribery risks. Primarily targeted at managers.	2024	Strengthened risk detection and mitigation capabilities. Increased manager awareness and preparedness to address potential risks.
Anti-Corruption Code	Taken	Implemented across all subsidiaries and applies to all employees across the Organization, establishing clear anti-corruption principles to guide daily professional activities.	2024	Enhanced ethical awareness and adherence to high standards of conduct. Reduced corruption-related incidents.
Whistleblowing Procedure	Taken	Implemented in companies where legally required. In other subsidiaries, employees can report irregularities through the Anti-Corruption Code framework.	2024	Improved incident reporting and investigation efficiency. Strengthened culture of accountability and transparency.

Looking ahead, the Organization plans to further enhance its sustainability governance by extending additional procedures to all companies within the Group. This expansion will be led by the ICT, aiming to align practices across the Group and reinforce the Organization's commitment to ethical operations and sustainable growth **[G1-MDR-A_13; §62]**.

TARGETS AND METRICS

CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY (G1-4)

No incidents of corruption or bribery registered at FamiCord Group during the reporting period.

PAYMENT PRACTICES (G1-6)

FamiCord is committed to responsible payment practices, ensuring fair and timely transactions with suppliers and subcontractors to support sustainable business relationships and operational continuity. The FamiCord Group has established structured procedures to manage payments, balancing financial efficiency with ethical supplier management **[G1-6; §31]**.

For most suppliers, the standard payment term is set at 30 days after the issuance of the invoice, unless alternative terms are agreed upon or specified in the service contract. All companies within the Group prioritize on-time payments, particularly for suppliers and subcontractors critical to daily operations, where delays could impact business continuity. This approach reflects the Group's commitment to fostering trust and long-term partnerships with its supply chain **[G1-6_02; §33 b]**.

Data reported for payments aligned with standard payment terms is based on estimates and representative sampling, collected directly from subsidiaries. Depending on the structure and organization of each company, the data may be obtained internally or through third-party accounting providers. Despite potential variations in data collection, an assumption is made that the majority of invoices are paid according to the deadlines and the terms agreed with suppliers. This ensures that the Organization remains aligned with its contractual obligations and reinforces a culture of financial responsibility **[MDR-M_02; §77 a | G1-6_05; §33 d]**.

Through these practices, the Organization upholds its dedication to fair supplier relations, minimizing financial risks, and supporting the broader ecosystem in which it operates.

More detailed information about payment practices will be included in the coming report.

Entity-specific – Research and Development

STRATEGY

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL [SBM-3]

In the Research and Development (R&D) realm, FamiCord focuses on leveraging innovation to drive sustainable growth while responding to evolving customer needs and market dynamics. R&D activities serve as a catalyst for introducing new technologies and refining existing solutions that not only enhance treatment opportunities – such as expanding the clinical application of stem cells **[I-053]** – but also contribute to overall patient well-being.

By aligning the Group's service offerings more closely with customer expectations, FamiCord seizes the opportunity to boost satisfaction and foster long-term loyalty **[RO-052]**. This customer-centric approach reinforces its market differentiation and strengthens its brand reputation.

Moreover, the Group's commitment to R&D fuels competitiveness across its markets, enabling cost reductions, enhanced operational efficiency, and the exploration of new business areas that create both financial gains and expanded service portfolios **[RO-053 | RO-054]**. In doing so, FamiCord not only drives technological progress but also paves the way for innovative partnerships and strategic collaborations, ultimately enhancing value creation for all stakeholders **[I-054]**.

Overall, FamiCord's R&D efforts are integral to its strategy. They underpin the Group's mission to develop pioneering healthcare solutions, ensuring that innovation and sustainability remain at the forefront of its business evolution. The outcome of the IRO analysis is reflected in several strategic pillars of the FamiCord Group, including the pursuit of breakthrough healthcare solutions, investment in cutting-edge technologies, and a steadfast commitment to long-term stakeholder value.

The following table provides a detailed overview of the material impacts, risks, and opportunities identified, and their connection to the Group's strategic direction.

Description	**Impact, Risk or Opportunity**	**Time horizon**	**Value chain location**	**Sub-topic or related sub-sub-topic**
[SBM-3_01; §48 a I SBM-3_02; §48 a]	**[SBM-3_01; §48 a I SBM-3_02; §48 a]**	**[SBM-3_06; §48 c iii]**	**[SBM-3_01; §48 a I SBM-3_02; §48 a]**	
Research and development				
RO-052 Aligning services with customer needs presents a key opportunity to boost customer satisfaction, loyalty, and revenue growth. It allows for market differentiation by tailoring offerings to consumer preferences, which can enhance long-term retention. Additionally, integrating sustainability into services meets the growing demand for eco-friendly solutions, strengthening brand reputation and positioning the company as customer-centric and socially responsible.	Opportunity	Medium-term (1 to 5 years)	–	–

Description	Impact, Risk or Opportunity	Time horizon	Value chain location	Sub-topic or related sub-sub-topic
[SBM-3_01; §48 a I SBM-3_02; §48 a]	**[SBM-3_01; §48 a I SBM-3_02; §48 a]**	**[SBM-3_06; §48 c iii]**	**[SBM-3_01; §48 a I SBM-3_02; §48 a]**	
RO-053 Increased competitiveness of the Group in its markets through its R&D activities (expansion of clinical application of stem cells, cost reduction, efficiency gains, etc.)	Opportunity	Medium-term (1 to 5 years)	–	–
RO-054 Development of new business areas/products and offering new services to clients, bringing both financial and market opportunities	Opportunity	Medium-term (1 to 5 years)	–	–
I-053 Expansion of clinical application of stem cells for patients, through the development of new technological resources and more efficient solutions, creating new treatment opportunities	Positive impact	–	Downstream	–
I-054 Increased value creation for stakeholders presents a significant opportunity to enhance economic value for shareholders, drive innovation through the development of new solutions for the healthcare community and foster new partnerships with key entities.	Positive impact	Long-term (> 5 years)	Upstream, Downstream	–

Note: For actual material impacts there is no associated time horizon.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS (MDR-P)

The FamiCord Group's research and development activities are primarily conducted in Poland (through PBKM and FamiCordTx) and in Portugal (via Stemlab). Project development is driven by strategic decisions made by the Management Board of PBKM subgroup, which considers internal competencies, stakeholder needs, and established R&D partnerships. Currently, the Group has not implemented a dedicated Policy for R&D activities. This approach is under periodic review, with a formal evaluation planned for 2026 **[MDR-P_07; §62]**.

ACTIONS AND RESOURCES IN RELATION TO MATERIAL SUSTAINABILITY MATTERS (MDR-A)

Throughout the reporting year, FamiCord implemented a range of significant actions, as outlined in the table below. These initiatives and the dedicated resources supporting them underscore the Organization's commitment to integrating innovation into all facets of its operations, thereby enhancing long-term resilience and fostering stakeholder trust.

Regarding R&D, projects identified are primarily funded internally, with all related expenses transparently recorded in the Group's accounting systems. The **"Cord Blood NK Cells"** project was, however, subject to submission to a grant application for the funding of the clinical trial, being contingent upon a successful grant outcome. Due to confidentiality considerations, additional planned R&D initiatives have not been disclosed in this year's report **[MDR-A_06; §69 a]**.

Disclosure of key actions [MDR-A_01; §68 a]	**Status of key action** [MDR-A_01; §68 a]	**Scope of actions** [MDR-A_02; §68 b]	**Time horizon** [MDR-A_03; §68 c]	**Results** [MDR-A_01; §68 a]
"Cord Blood NK Cells" project Within this project FamiCord intends to participate in a clinical trial sponsored by the Medical University of Zielona Góra in Poland.	Taken and Planned	Implemented in Poland, covers manufacture of medicinal products within FamiCord' own operations and patients' treatment and hospitals engagement in the downstream value chain. Primarily targeted at consumers and end-users.	2024 – 2026	The primary objective of this project is to develop an advanced therapy medicinal product (ATMP) consisting of allogeneic NK cells, previously isolated from umbilical cord blood. This product is intended to be used in the treatment of solid tumors, with the initial therapeutic targets being gynecological cancers: cervical cancer, ovarian cancer, and endometrial cancer. With this project FamiCord intends not only to be recognized as an ATMP manufacturing facility, but also to strengthen the perception of umbilical cord blood as an extremely valuable source of cells that can be used beyond traditional hematological indications
Development of procedures for placenta tissue storage	Taken and Planned	Implemented in Poland, Romania and Germany. Covers tissues banking in FamiCord's own operations and hospitals performing collections in the upstream value chain. Primarily targeted at consumers and end-users.	2024 – 2025	Making available to families a new cells and tissues banking service.
Evaluation of amniotic membrane banking and storage feasibility	Taken and Planned	Implemented in Poland and covers tissues banking in FamiCord's own operations and hospitals for collection in the upstream value chain. Primarily targeted at hospitals using amniotic membrane for treatment.	2024 – 2026	Determine whether the amniotic membrane can be effectively cryopreserved as a starting material for ATMP production.
Expanded Access Program for Cerebral Palsy and Autism The treatments initiated in 2024 in the University Children's Hospital in Lublin, Poland, and is being funded by FamiCord.	Taken	Implemented in all geographies. Covers cord blood banking in FamiCord's own operations and patients' treatment and hospitals engagement in the downstream value chain. Primarily targeted at consumers and end-users.	2024	The goal is to have a program for the use of autologous cord blood for children suffering from cerebral palsy or autism and evaluate the safety and efficacy of the treatment.

Disclosure of key actions [MDR-A_01; §68 a]	**Status of key action** [MDR-A_01; §68 a]	**Scope of actions** [MDR-A_02; §68 b]	**Time horizon** [MDR-A_03; §68 c]	**Results** [MDR-A_01; §68 a]
CARLA Phase 1 Clinical trial for the treatment of blood tumors with CD19-CAR therapy	Taken	Implemented in Poland. Covers own operations though manufacturing of ATMPs for cell & gene therapies, patient's treatment and hospitals engagement in the downstream value chain. Primarily targeted at consumers and end-users.	2024	From 2023 to 2024, a total of 4 patients were safely treated with the product manufactured by FamiCordTx. The main goal of this first trial was to confirm the safety of the product and the therapy. New funds are expected in order to continue with the program and evaluate not only safety but also efficacy of the treatment.
CARinclusive Developing a platform for application of CAR-T from allogeneic Cord Blood for the Treatment of Hematopoietic Malignancies	Planned	Implemented in Poland. Covers own operations though manufacturing of ATMPs for cell & gene therapies and also cord blood banking, patient's treatment and hospitals engagement in the downstream value chain. Primarily targeted at consumers and end-users.	2028	Publicly funded in Poland. To be started.

TARGETS AND METRICS

TRACKING EFFECTIVENESS OF POLICIES AND ACTIONS THROUGH TARGETS (MDR-T)

In the Research and Development area, FamiCord tracks the effectiveness of its actions through clearly defined targets and milestones. For more complex projects, specific milestones have been established to guide progress and ensure that each development phase meets its strategic objectives. In contrast, for simpler, short-term projects, the target is set as the timely conclusion of the project along with the achievement of its main goal within the expected timeframe. This structured approach enables FamiCord to accurately monitor progress and adapt its strategies as needed, reinforcing the Group's commitment to innovation and continuous improvement.

METRIC IN RELATION TO MATERIAL SUSTAINABILITY MATTERS (MDR-M)

It is important to note that for 2024, specific metrics for R&D have not been established beyond ensuring budget compliance. This approach allows the Group to monitor the financial discipline of FamiCord's R&D initiatives while still driving progress through milestone tracking.

Appendix

Correspondence tables in accordance with ESRS 2

TABLE 1 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE SUSTAINABILITY STATEMENT (IRO-2)

Disclosure requirement		Section
ESRS 2 – General disclosures		
BP-1	General basis for preparation of sustainability statements	General Information, section BP-1
BP-2	Disclosures in relation to specific circumstances	General Information, section BP-2
GOV-1	The role of the administrative, management and supervisory bodies	General Information, section GOV-1
GOV-2	The role of the administrative, management and supervisory bodies	General Information, section GOV-2
GOV-3	Integration of sustainability-related performance in incentive schemes	General Information, section GOV-3
GOV-4	Statement on due diligence	General Information, section GOV-4 Appendix, Table 4
GOV-5	Risk management and internal controls over sustainability reporting	General Information, section GOV-5
SBM-1	Strategy, business model and value chain	General Information, section SBM-1
SBM-2	Interests and views of stakeholders	General Information, section SBM-2
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	General Information, section SBM-3
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	General Information, section IRO-1
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	General Information, section IRO-2
E1 – Climate change		
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	General Information, section GOV-3
E1-1	Transition plan for climate change mitigation	Environmental Information, section E1-1
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Environmental Information, section SBM-3
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	General Information, section IRO-1
E1-2	Policies related to climate change mitigation and adaptation	Environmental Information, section E1-2
E1-3	Actions and resources in relation to climate change policies	Environmental Information, section E1-3
E1-4	Targets related to climate change mitigation and adaptation	Environmental Information, section E1-4
E1-5	Energy consumption and mix	Environmental Information, section E1-5

Disclosure requirement		Section
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Environmental Information, section E1-6
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Not stated
E5 – Resource use and circular economy		
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	General Information, section IRO-1
E5-1	Policies related to resource use and circular economy	Not stated
E5-2	Actions and resources related to resource use and circular economy	Not stated
E5-3	Targets related to resource use and circular economy	Not stated
E5-4	Resource inflows	Not stated
E5-5	Resource outflows	Not stated
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Not stated
S1 – Own workforce		
ESRS 2 SBM-2	Interests and views of stakeholders	General Information, section SBM-2
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Social Information, section SBM-3 (S1)
S1-1	Policies related to own workforce	Social Information, section S1-1
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Social Information, section S1-2
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Social Information, section S1-3
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Social Information, section S1-4
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Social Information, section S1-5
S1-6	Characteristics of the undertaking's employees	Social Information, section S1-6
S1-7	Characteristics of non-employees in the undertaking's own workforce	Social Information, section S1-7
S1-9	Diversity metrics	Social Information, section S1-9
S1-10	Adequate wages	Social Information, section S1-10
S1-11	Social protection	Not stated
S1-13	Training and skills development metrics	Not stated
S1-14	Health and safety metrics	Social Information, section S1-14
S1-15	Work-life balance metrics	Not stated
S1-16	Remuneration metrics (pay gap and total remuneration)	Not stated
S1-17	Incidents, complaints and severe human rights impacts	Social Information, section S1-17

Disclosure requirement		Section
S3 – Affected communities		
ESRS 2 SBM-2	Interests and views of stakeholders	General Information, section SBM-2
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Not stated
S3-1	Policies related to affected communities	Not stated
S3-2	Processes for engaging with affected communities about impacts	Not stated
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Not stated
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Not stated
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Not stated
S4 – Consumers and end-users		
ESRS 2 SBM-2	Interests and views of stakeholders	General Information, section SBM-2
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Social Information, section SBM-3 (S4)
S4-1	Policies related to consumers and end-users	Social Information, section S4-1
S4-2	Processes for engaging with consumers and end-users about impacts	Social Information, section S4-2
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Social Information, section S4-3
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Social Information, section S4-4
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Social Information, section S4-5
G1 – Business conduct		
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	General Information, section GOV-1
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	General Information, section IRO-1
G1-1	Business conduct policies and corporate culture	Governance Information, section G1-1
G1-2	Management of relationships with suppliers	Governance Information, section G1-2
G1-3	Prevention and detection of corruption and bribery	Governance Information, section G1-3
G1-4	Incidents of corruption or bribery	Governance Information, section G1-4
G1-6	Payment practices	Governance Information, section G1-6

Disclosure requirement		Section
MDR-A	Minimum Disclosure Requirements regarding actions	Governance Information, section MDR-A (G1)
Entity-specific disclosures – Research and development		
MDR-P	Minimum Disclosure Requirements regarding policies	Governance Information, section MDR-P (Entity-specific – Research and Development)
MDR-A	Minimum Disclosure Requirements regarding actions	Governance Information, section MDR-A (Entity-specific – Research and Development)
MDR-T	Minimum Disclosure Requirements regarding targets	Governance Information, section MDR-T (Entity-specific – Research and Development)
MDR-M	Minimum Disclosure Requirements regarding metrics	Governance Information, section MDR-M (Entity-specific – Research and Development)

TABLE 2 – LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION (IRO-2)

The table below includes all datapoints that derive from other EU legislation, as listed in ESRS 2 appendix B. It indicates where these datapoints can be found in the report and which ones were assessed as not material to Famicord Group.

Disclosure requirement	Datapoint	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section	Materiality
ESRS 2 GOV-1	Paragraph 21 (d)	Board's gender diversity	x	–	x	–	General Information, section GOV-1	
ESRS 2 GOV-1	Paragraph 21 (e)	Percentage of board members who are independent	–	–	x	–	General Information, section GOV-1	
ESRS 2 GOV-4	Paragraph 30	Statement on due diligence	x	–	–	–	General Information, section GOV-4 Appendix, Table 4	
ESRS 2 SBM-1	Paragraph 40 (d) i	Involvement in activities related to fossil fuel activities	x	x	x	–	General Information, section SBM-1	
ESRS 2 SBM-1	Paragraph 40 (d) ii	Involvement in activities related to chemical production	x	–	x	–	General Information, section SBM-1	
ESRS 2 SBM-1	Paragraph 40 (d) iii	Involvement in activities related to controversial weapons	x	–	x	–	General Information, section SBM-1	
ESRS 2 SBM-1	Paragraph 40 (d) iv	Involvement in activities related to cultivation and production of tobacco	–	–	x	–	General Information, section SBM-1	
ESRS E1-1	Paragraph 14	Transition plan to reach climate neutrality by 2050	–	–	–	x	-	Not stated
ESRS E1-1	Paragraph 16 (g)	Undertakings excluded from Paris-aligned Benchmarks	–	x	x	–	-	Not stated
ESRS E1-4	Paragraph 34	GHG emission reduction targets	x	x	x	–	-	Not stated
ESRS E1-5	Paragraph 38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x	–	–	–	Environmental Information, section E1-5	
ESRS E1-5	Paragraph 37	Energy consumption and mix	x	–	–	–	Environmental Information, section E1-5	
ESRS E1-5	Paragraphs 40 – 43	Energy intensity associated with activities in high climate impact sectors	x	–	–	–	Environmental Information, section E1-5	

Disclosure requirement	Datapoint	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section	Materiality
ESRS E1-6	Paragraph 44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x	–	Environmental Information, section E1-6	
ESRS E1-6	Paragraphs 53 – 55	Gross GHG emissions intensity	x	x	x	–	Environmental Information, section E1-6	
ESRS E1-7	Paragraph 56	GHG removals and carbon credits	–	–	–	x	-	Not material
ESRS E1-9	Paragraph 66	Exposure of the benchmark portfolio to climate-related physical risks	–	–	x	–	-	Not stated
ESRS E1-9	Paragraph 66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk	–	x	–	–	-	Not stated
ESRS E1-9	Paragraph 66 (c)	Location of significant assets at material physical	–	x	–	–	-	Not stated
ESRS E1-9	Paragraph 67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	–	x	–	–	-	Not stated
ESRS E1-9	Paragraph 69	Degree of exposure of the portfolio to climate-related opportunities	–	–	x	–	-	Not stated
ESRS E2-4	Paragraph 28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x	–	–	–	-	Not material
ESRS E3-1	Paragraph 9	Water and marine resources	x	–	–	–	-	Not material
ESRS E3-1	Paragraph 13	Dedicated policy	x	–	–	–	-	Not material
ESRS E3-1	Paragraph 14	Sustainable oceans and seas	x	–	–	–	-	Not material
ESRS E3-4	Paragraph 28 (c)	Total water recycled and reused	x	–	–	–	-	Not material
ESRS E3-4	Paragraph 29	Total water consumption in m^3 per net revenue on own operations	x	–	–	–	-	Not material
ESRS 2 - SBM3 - E4	Paragraph 16 (a) i	Activities negatively affecting biodiversity sensitive areas	x	–	–	–	-	Not material
ESRS 2 - SBM3 - E4	Paragraph 16 (b)	Material negative impacts with regards to land degradation, desertification or soil sealing	x	–	–	–	-	Not material
ESRS 2 - SBM3 - E4	Paragraph 16 (c)	Operations that affect threatened species	x	–	–	–	-	Not material
ESRS E4-2	Paragraph 24 (b)	Sustainable land / agriculture practices or policies	x	–	–	–	-	Not material

Disclosure requirement	Datapoint	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section	Materiality
ESRS E4-2	Paragraph 24 (c)	Sustainable oceans / seas practices or policies	x	–	–	–	–	Not material
ESRS E4-2	Paragraph 24 (d)	Policies to address deforestation	x	–	–	–	–	Not material
ESRS E5-5	Paragraph 37 (d)	Non-recycled waste	x	–	–	–	-	Not stated
ESRS E5-5	Paragraph 39	Hazardous waste and radioactive waste	x	–	–	–	-	Not stated
ESRS 2 – SBM3 – S1	Paragraph 14 (f)	Risk of incidents of forced labour	x	–	–	–	Social Information, section SBM-3 (S1)	
ESRS 2 – SBM3 – S1	Paragraph 14 (g)	Risk of incidents of child labour	x	–	–	–	Social Information, section SBM-3 (S1)	
ESRS S1-1	Paragraph 20	Human rights policy commitments	x	–	–	–	Social Information, section S1-1	
ESRS S1-1	Paragraph 21	Due diligence policies on issues addressed by the fundamental ILO Conventions 1 to 8	–	–	x	–	Social Information, section S1-1	
ESRS S1-1	Paragraph 22	Processes and measures for preventing trafficking in human beings	x	–	–	–	Social Information, section S1-1	
ESRS S1-1	Paragraph 23	Workplace accident prevention policy or management system	x	–	–	–	Social Information, section S1-1	
ESRS S1-3	Paragraph 32 (c)	Grievance/complaints handling mechanisms	x	–	–	–	Social Information, section S1-3	
ESRS S1-14	Paragraph 88 (b) e (c)	Number of fatalities and number and rate of work-related accidents	x	–	x	–	Social Information, section S1-14	
ESRS S1-14	Paragraph 88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x	–	–	–	-	Not stated
ESRS S1-16	Paragraph 97 (a)	Unadjusted gender pay gap	x	–	x	–	-	Not stated
ESRS S1-16	Paragraph 97 (b)	Excessive CEO pay ratio	x	–	–	–	-	Not stated
ESRS S1-17	Paragraph 103 (a)	Incidents of discrimination	x	–	–	–	Social Information, section S1-17	
ESRS S1-17	Paragraph 104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	x	–	x	–	Social Information, section S1-17	
ESRS 2 – SBM3 – S2	Paragraph 11 (b)	Significant risk of child labour or forced labour in the value chain	x	–	–	–	–	Not material
ESRS S2-1	Paragraph 17	Human rights policy commitments	x	–	–	–	–	Not material
ESRS S2-1	Paragraph 18	Policies related to value chain workers	x	–	–	–	–	Not material

Disclosure requirement	Datapoint	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Section	Materiality
ESRS S2-1	Paragraph 19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x	–	x	–	–	Not material
ESRS S2-1	Paragraph 19	Due diligence policies on issues addressed by the fundamental ILO Conventions 1 to 8	–	–	x	–	–	Not material
ESRS S2-4	Paragraph 36	Human rights issues and incidents connected to its upstream and downstream value chain	x	–	–	–	–	Not material
ESRS S3-1	Paragraph 16	Human rights policy commitments	x	–	–	–	–	Not stated
ESRS S3-1	Paragraph 17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	x	–	x	–	–	Not stated
ESRS S3-4	Paragraph 36	Human rights issues and incidents	x	–	–	–	–	Not stated
ESRS S4-1	Paragraph 16	Policies related to consumers and end-users	x	–	–	–	Social Information, section S4-1	
ESRS S4-1	Paragraph 17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x	–	x	–	Social Information, section S4-1	
ESRS S4-4	Paragraph 35	Human rights issues and incidents	x	–	–	–	Social Information, section S4-4	
ESRS G1-1	Paragraph 10 (b)	United Nations Convention against Corruption	x	–	–	–	Governance Information, section G1-1	
ESRS G1-1	Paragraph 10 (d)	Protection of whistle-blowers	x	–	–	–	Governance Information, section G1-1	
ESRS G1-4	Paragraph 24 (a)	Fines for violation of anti-corruption and anti-bribery laws	x	–	x	–	–	Not stated
ESRS G1-4	Paragraph 24 (b)	Standards of anti-corruption and anti-bribery	x	–	–	–	–	Not stated

TABLE 3 – LIST OF INCORPORATIONS BY REFERENCE (BP-2)

Disclosure requirement	Code	Section
Business model: ESRS 2 SBM-1, §42	SBM-1	Fundamentals of the Company and the Group, section Business model, of the Combined management report
Description of the material IRO resulting from the materiality assessment: ESRS 2, §48 a	SBM-3	Environmental Information, section SBM-3 Social Information, section SBM-3 (S1) Social Information, section SBM-3 (S4) Governance Information, section SBM-3 (G1) Governance Information, section SBM-3 (Entity-specific – Research and development)
Expected time horizons of material impacts: ESRS 2, §48 c iii	SBM-3	
Specification of the impacts, risks and opportunities covered by ESRS Disclosure Requirements: ESRS 2, §48 h	SBM-3	
List of disclosure requirements in ESRS covered by the non-financial statements	IRO-2	Appendix, Table 1
List of datapoints in cross-cutting and topical standards that derive from other EU legislation	IRO-2	Appendix, Table 2
Presentation of the Code of Conduct: MDR-P, ESRS 2, §65 b/c/f/e	MDR-P	Governance Information, section G1-1
Presentation of the Whistleblowing Procedure: MDR-P, ESRS 2, §65 b/c/f/e	MDR-P	Governance Information, section G1-1
Presentation of the Privacy Policy: MDR-P, ESRS 2, §65 b/c/f/e	MDR-P	Social Information, section S4-1

TABLE 4 – STATEMENT ON DUE DILIGENCE (GOV-4)

Core elements of due diligence	Sections in the sustainability statement	Section
Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2	General Information, section GOV-2
	ESRS 2 GOV-3	General Information, section GOV-3
	ESRS 2 SBM-3	General Information, section SBM-3 Environmental Information, section SBM-3 Social Information, section SBM-3 (S1) Social Information, section SBM-3 (S4) Governance Information, section SBM-3 (G1) Governance Information, section SBM-3 (Entity-specific – Research and development)
Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2	General Information, section GOV-2
	ESRS 2 SBM-2	General Information, section SBM-2
	ESRS 2 IRO-1	General Information, section IRO-1
	ESRS 2 MDR-P	Environmental Information, section E1-2 Social Information, section S1-1 Social Information, section S4-1 Governance Information, section G1-1 Governance Information, section G1-2 Governance Information, section G1-3 Governance Information, section MDR-P (Entity-specific – Research and Development)
Identifying and assessing adverse impacts	ESRS 2 IRO-1	General Information, section IRO-1
	ESRS 2 SBM-3	General Information, section SBM-3 Environmental Information, section SBM-3 Social Information, section SBM-3 (S1) Social Information, section SBM-3 (S4) Governance Information, section SBM-3 (G1) Governance Information, section SBM-3 (Entity-specific – Research and development)
Taking actions to address those adverse impacts	ESRS 2 MDR-A	Environmental Information, section E1-3 Social Information, section S1-4 Social Information, section S4-4 Governance Information, section MDR-A (G1) Governance Information, section MDR-A (Entity-specific – Research and Development)
Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-M	Environmental Information, section Targets and Metrics Social Information, section Targets and Metrics (S1) Social Information, section Targets and Metrics (S4) Governance Information, section Targets and Metrics (G1) Governance Information, section Targets and Metrics (Entity-specific – Research and Development)
	ESRS 2 MDR-T	Environmental Information, section E1-4 Social Information, section S1-5 Social Information, section S4-5 Governance Information, section MDR-T (Entity-specific – Research and Development)

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

EUR thousand	Note	**01/01/2024 – 12/31/2024**	01/01/2023 – 12/31/2023
Sales revenue	6.1	82,184	77,062
Cost of Sales	6.2	–61,530	–48,818
Gross profit on sales		**20,654**	**28,244**
Other income	6.3	3,945	1,657
Marketing and selling expenses	6.4	–11,248	–10,575
Administrative expenses	6.5	–20,521	–20,353
Other expenses	6.6	–916	–965
Net impairment on financial and contract assets	6.7	–1,171	–1,128
Operating result (EBIT)		**–9,258**	**–3,120**
Financial income	6.8	711	1,020
Financial expenses	6.9	–1,847	–2,382
Result from companies accounted for using the equity method	12	143	140
Earnings before taxes		**–10,250**	**–4,342**
Income tax expense/income	6.10	–2,049	2,310
Result for the period after taxes		**–12,299**	**–2,033**
Attribution of the result for the period to the			
Owners of the parent company		–12,136	–1,865
Minority interests		–163	–168
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	9.4	–0.70	–0.12

Consolidated Statement of Comprehensive Income

EUR thousand	Note	01/01/2024 – 12/31/2024	01/01/2023 – 12/31/2023
Result for the period after taxes		**–12,299**	**–2,033**
Other result			
Difference from currency translation	2.3	312	1,732
Other comprehensive income to be reclassified to the income statement in subsequent periods		**312**	**1,732**
Other comprehensive income not to be reclassified to the income statement in subsequent periods		**0**	**0**
Total comprehensive income after taxes		**–11,987**	**–300**
Attribution of total comprehensive income after taxes to the			
Owners of the parent company		–11,688	–46
Minority interests		–299	–254

Consolidated Balance Sheet

Assets

EUR thousand	Note	**12/31/2024**	12/31/2023
Non-current assets			
Goodwill	7.1.1	30,664	39,194
Other intangible assets	7.1.2	13,549	17,286
Property, plant and equipment	7.1.3	24,808	25,288
Right-of-use assets	7.1.4	11,577	12,169
Shares in associated companies	4.2	747	592
Other financial assets	7.1.8	888	1,072
Other non-financial assets	7.1.9	1,766	1,704
Deferred tax assets	6.10	10,655	10,401
Contract assets	7.1.6	17,275	8,984
Trade receivables	7.1.7	278	395
		112,207	**117,086**
Current assets			
Inventories	7.1.5	2,933	3,405
Trade receivables	7.1.7	13,698	12,856
Income tax receivables	6.10	220	1,522
Contract assets	7.1.6	3,726	4,028
Other financial assets	7.1.8	1,641	1,614
Other non-financial receivables and assets	7.1.9	1,489	1,518
Cash and cash equivalents	7.1.10	16,823	17,416
		40,529	**42,359**
Total Assets		**152,737**	**159,445**

Equity & Liabilities

EUR thousand	Note	**12/31/2024**	12/31/2023
Equity			
Subscribed capital	7.2.1	17,640	17,640
Capital reserve	7.2.1	42,354	42,354
Loss carryforwards	7.2.1	–42,292	–31,329
Other reserves	7.2.1	–755	–1,203
Treasury shares	7.2.1	–2,813	–2,813
Non-controlling interests	7.2.1	–1,228	–786
		12,907	**23,864**
Non-current liabilities			
Interest-bearing loans	7.2.2	3,751	3,387
Leasing liabilities	8.	9,251	10,380
Deferred grants	7.2.5	625	642
Contract liabilities	7.2.7	65,019	59,420
Other provisions	7.2.3	424	400
Deferred tax liabilities	6.10	5,600	3,792
Other financial liabilities	7.2.9	0	1,381
		84,669	**79,401**
Current liabilities			
Trade payables	7.2.8	6,478	9,886
Other provisions	7.2.3	5	5
Income tax liabilities	6.10	150	216
Interest-bearing loans	7.2.2	1,970	5,079
Lease liabilities	8.	3,125	2,729
Deferred grants	7.2.5	143	206
Repayment obligations	7.2.6	27,015	25,354
Contract liabilities	7.2.7	10,012	7,208
Other financial liabilities	7.2.9	1,624	1,401
Other non-financial liabilities	7.2.10	4,641	4,095
		55,161	**56,180**
Total Equity & Liabilities		**152,737**	**159,445**

Consolidated Statement of Changes in Group Equity

	Equity attributable to the owners of the parent company			
EUR thousand	Subscribed capital	Capital reserve	Loss carryforwards	Reserve for financial assets measured at fair value through other comprehensive income
Status as of January 1, 2023	**16,036**	**36,960**	**–30,663**	**–24**
Result for the period	0	0	–1,865	0
Other result	0	0	0	0
Overall result	**0**	**0**	**–1,865**	**0**
Transaction with minorities	0	0	1,109	0
Capital increases	1,604	5,394	0	0
Share-based remuneration program	0	0	99	0
Distributions	0	0	0	0
Adjustment IAS 29	0	0	–8	0
Balance as of December 31, 2023	**17,640**	**42,354**	**–31,329**	**–24**
Status as of January 1, 2024	**17,640**	**42,354**	**–31,329**	**–24**
Result for the period	0	0	–12,136	0
Other result	0	0	0	0
Overall result	**0**	**0**	**–12,136**	**0**
Transaction with minorities	0	0	1,187	0
Share-based remuneration program	0	0	–14	0
Distributions	0	0	0	0
Adjustment IAS 29	0	0	0	0
Balance as of December 31, 2024	**17,640**	**42,354**	**–42,292**	**–24**

	Equity attributable to the owners of the parent company					
	Revaluation reserve	Currency translation differences	Total equity	Treasury shares at acquisition costs	Non-controlling interests	Total equity
	−122	**−2,875**	**19,313**	**−2,813**	**−648**	**15,852**
	0	0	−1,865	0	−168	−2,033
	0	1,818	1,818	0	−86	1,732
	0	**1,818**	**−46**	**0**	**−254**	**−300**
	0	0	1,109	0	122	1,231
	0	0	6,997	0	0	6,997
	0	0	99	0	0	99
	0	0	0	0	−7	−7
	0	0	−8	0	0	−8
	−122	**−1,057**	**27,463**	**−2,813**	**−786**	**23,864**
	−122	**−1,057**	**27,463**	**−2,813**	**−786**	**23,864**
	0	0	−12,136	0	−163	−12,299
	0	448	448	0	−136	312
	0	**448**	**−11,688**	**0**	**−299**	**−11,987**
	0	0	1,187	0	−273	914
	0	0	−14	0	133	118
	0	0	0	0	−2	−2
	0	0	0	0	0	0
	−122	**−609**	**16,947**	**−2,813**	**−1,228**	**12,907**

Consolidated Cash Flow Statement

EUR thousand	Note	**01/01/2024 – 12/31/2024**	01/01/2023 – 12/31/2023
Cash flow from operating activities	8		
Result for the period before income taxes		–10,250	–4,342
Adjustments for:			
Depreciation and amortization		8,676	8,562
Impairments		8,698	128
Other impairments		699	0
Gains/losses on the disposal of non-current assets		–1,669	711
Other non-cash expenses		–733	853
Financial income	6.8	–711	–1,020
Financial expenses	6.9	1,847	2,382
Changes in net working			
+/- Inventories		472	486
+/- Receivables and other assets		–630	574
+/- Contract assets		–7,989	–7,222
-/+ Debts		–359	339
-/+ Contract and repayment liabilities		10,063	7,743
-/+ Provisions		24	79
Interest paid		–397	–958
Income taxes paid		–402	–1,342
Income taxes refunded		1,316	2,182
Cash flow from operating activities		**8,655**	**9,154**
Cash flow from investing activities			
Purchase of intangible assets	7.1.2	–1,086	–682
Purchase of property, plant and equipment	7.1.3	–2,113	–3,409
Purchase of non-current financial investments		–83	0
Proceeds from the sale of property, plant and equipment	7.1.3	24	276
Proceeds from the sale of financial investments		0	145
Interest received		178	97
Cash flow from investing activities		**–3,080**	**–3,574**

EUR thousand	Note	**01/01/2024 – 12/31/2024**	01/01/2023 – 12/31/2023
Cash flow from financing activities			
Proceeds from the issue of shares	7.2.1	0	6,997
Transaction with non-controlling shareholders		–121	–1,230
Dividend distributions		–2	–7
Proceeds from taking out financial loans	7.2.2	2,024	13,572
Payments for the repayment of financial loans	7.2.2	–4,767	–21,364
Payments for leases	7.1.4	–3,230	–2,989
Proceeds from grants received	7.2.5	0	–68
Cash flow from financing activities		**–6,095**	**–5,088**
Net changes in cash and cash equivalents		–521	492
Cash and cash equivalents at the beginning of the reporting period	7.1.10	17,416	16,290
Exchange rate-related change in cash and cash equivalents		–72	634
Cash and cash equivalents at the end of the reporting period	7.1.10	**16,823**	**17,416**

Notes to the Consolidated Financial Statements for the Fiscal Year 2024

1. GENERAL INFORMATION

In January 2025, the parent company, Vita 34 AG, was renamed to FamiCord AG. This renaming also applies to the Group, which has since operated under the new name (FamiCord AG).

The renaming aims to strengthen the company's identity and ensure a consistent brand presence in the market. It does not affect the corporate structure, existing contracts, or relationships with business partners and customers.

However, the Vita 34 brand will continue to be used within the subgroup Vita 34, which is why the designation for this subgroup will be retained.

The FamiCord AG, formerly known as Vita 34 AG, (the "Company"), based in Leipzig (Germany), Perlickstraße 5, is registered in the Commercial Register of the Local Court of Leipzig under the number HRB 20339. The object of the Company and its subsidiaries (together with the Company referred to as the "Group") is the collection, storage and distribution of cells, tissues, blood and blood components for the purpose of medical applications. In addition, the Group is active in the development of products and drugs based on cells, tissues and blood for the purpose of medical applications. This also includes the production and manufacturing of viral vectors and CAR-T cells.

The declaration on the German Corporate Governance Code required by § 161 of the German Stock Corporation Act was issued in April 2025 and made available to shareholders on the website www.famicord.com.

The consolidated financial statements of FamiCord AG for the fiscal year ended December 31, 2024, were released for publication by the Management Board on April 29, 2025. The approval by the Supervisory Board took place on April 29, 2025.

2. ACCOUNTING AND VALUATION PRINCIPLES

2.1 FUNDAMENTALS OF PREPARATION

The consolidated financial statements of FamiCord AG were prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS) valid on the reporting date, as applicable in the EU, and the supplementary commercial law provisions to be observed pursuant to § 315e (1) HGB. All IFRSs mandatory for the fiscal year 2024 and the pronouncements of the International Financial Reporting Interpretations Committee (IFRIC) have been applied insofar as they have been endorsed by the European Union. In addition, all legal disclosure and explanation requirements of the German Commercial Code (HGB) that go beyond the regulations of the IASB have been fulfilled.

The consolidated financial statements of FamiCord AG are generally prepared on the basis of amortized cost in euros. This does not apply to financial assets measured at fair value. Unless otherwise indicated, all values are rounded to the nearest thousand euros (EUR thousand).

The “FamiCord Group” (hereinafter “FamiCord” or “FamiCord Group”) was created with effect from November 8, 2021, from the merger of Vita 34 AG and its subsidiaries (hereinafter “subgroup Vita 34”) and Polski Bank Komórek Macierzystych Sp. z o.o., Poland, and its subsidiaries (hereinafter “subgroup PBKM”) and comprises the business activities of these two subgroups, divided into the two company segments “subgroup Vita 34” and “subgroup PBKM”.

The consolidated financial statements were also prepared on the basis of the going concern assumption, which assumes that the Group is able to meet its liabilities, including the mandatory repayment terms of the credit lines, on time. Follow-up financing tailored to the Group as a whole was concluded in the prior year. This became necessary as credit lines expired in both subgroups in the prior year. The Group can also manage its investment decisions in line with demand to further secure its solvency. In addition, offers to switch from annual payment contracts to prepayment contracts are placed in individual markets to strengthen short-term liquidity.

Potential sustainability risks, particularly those relating to climate change are analyzed by the Management Board on an ongoing basis and considered in the measurement of assets and liabilities and in the disclosures on significant discretionary decisions and estimation uncertainties in the financial statements. The Management Board has not identified any significant risks for its business model in this context. Therefore, FamiCord does not currently expect any material effects of sustainability risks on the financial statements.

2.2 CONSOLIDATION PRINCIPLES

The consolidated financial statements comprise the financial statements of FamiCord AG, its subsidiaries and associated companies as of December 31 of each fiscal year. The financial statements of the subsidiaries and associated companies are prepared as of the same balance sheet date as the financial statements of the parent company, using uniform accounting and valuation principles (“Group Accounting Policies”).

Subsidiaries

The direct and indirect capital shares of FamiCord AG in the subsidiaries also correspond to the share of voting rights, unless otherwise indicated. The contributions of the non-consolidated companies to the Group’s consolidated sales, consolidated earnings and balance sheet total were not considered material. These companies were therefore not included in the consolidated financial statements.

The consolidated financial statements include the subsidiaries over which the Company exercises control. In particular, the Group controls a company when it has all the following characteristics:

- control over the company (i.e., the Group has the ability to direct those activities of the company that have a significant effect on its returns based on currently existing rights),
- a risk exposure to, or entitlement to, fluctuating returns from its investment in the company; and
- the ability to use its executive power over the company in such a way that it affects the company’s return on investment.

If the Group does not hold a majority of the voting rights or similar rights in a company, it considers all relevant facts and circumstances when assessing whether it has control over the company. These include:

- a contractual agreement with the other voters,
- rights resulting from other contractual agreements,
- voting rights and potential voting rights of the Group.

If facts and circumstances indicate that one or more of the three elements of control have changed, the Group must reassess whether it controls a company.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

Associated companies

An associated company is a company over which the Group has significant influence, and which is not a subsidiary. Significant influence is the power to participate in the financial and operating policy decisions of the company in which the investment is held. This does not constitute control or joint control over the decision-making processes.

The results, assets and liabilities of associated companies are to be included using the equity method.

Under the equity method, investments in associated companies are included in the consolidated balance sheet at acquisition cost, adjusted for changes in the Group's share of profit or loss and other comprehensive income of the associated company after the date of acquisition.

An investment in an associated company is accounted for from the date on which the criteria for an associated company are met. Any excess of the acquisition cost of the investment over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognized as goodwill. Under the equity method, goodwill is included in the carrying amount of the investment and is not tested separately for impairment.

The application of the equity method is terminated at the time when its investment no longer constitutes an associated company.

Business combinations under common control

For business combinations under common control, both the book value continuation method and the revaluation method can be applied. The Group decides on a case-by-case basis which method results in an accurate presentation in the consolidated financial statements. The Group also decides on a case-by-case basis whether to apply the book value continuation method retrospectively or prospectively.

To date, the Group prospectively applied the book value method for business combinations under common control.

The determination of whether an investor has joint control of the companies involved in the business combination is based on an analysis of existing voting rights, other contractual rights and other circumstances.

Under the book value accounting method, the assets and liabilities of the acquired company are not revalued. Instead, the assets and liabilities of the acquired company are carried forward. The difference between the consideration paid and the book assets received is recognized in capital reserve.

The transaction costs incurred are reflected in expenses.

Business combinations and goodwill
Business combinations are accounted for using the acquisition method if the acquired group of activities and assets meets the definition of a business and the Group has obtained control. In determining whether a particular group of activities and assets is a business, the Group assesses whether the group of acquired assets and activities comprises at least one resource input and one substantive process and whether the acquired group is capable of producing outputs. The cost of a business combination is measured as the aggregate of the consideration transferred, measured at the acquisition-date fair value of the assets given, and the non-controlling interest in the acquired company. The consideration transferred includes:

- the fair values of the assets transferred,
- the fair value of an asset or a liability arising from a contingent consideration arrangement; and
- the fair value of an existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred within administrative expenses.

Non-controlling interests are measured at the proportionate fair value of the assets acquired and liabilities assumed. After initial recognition, profits and losses are allocated without limitation in proportion to the interest held, which may also result in a negative balance for non-controlling interests.

When the Group acquires a company, it assesses the appropriate classification and designation of the financial assets acquired and liabilities assumed in accordance with the contractual terms, economic circumstances and conditions prevailing at the acquisition date.

Goodwill is initially measured at acquisition cost being the excess of the consideration transferred over the identifiable assets acquired and liabilities assumed by the Group. In the case of an acquisition at a price below fair value, the resulting gain is recognized in other income. Before recognizing a gain on an acquisition for less than fair value, it is again assessed whether all assets acquired, and all liabilities assumed have been correctly identified and measured.

After initial recognition, goodwill is measured at acquisition cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination. A cash-generating unit is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. This applies irrespective of whether other assets or liabilities of the acquired company are allocated to these cash-generating units.

For goodwill, the Group assesses at each reporting date whether there is any indication that goodwill may be impaired. Goodwill is tested for impairment at least once a year. A review is also performed if events or circumstances indicate that the value may be impaired. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill has been allocated. If the recoverable amount of the cash-generating unit is less than the carrying amount of this unit, an impairment loss is recognized. Impairment losses recognized for goodwill may not be reversed in subsequent reporting periods.

Transactions eliminated on consolidation

Intragroup balances and transactions, and all unrealized income and expenses (other than income and expenses arising from foreign currency transactions) relating to intragroup transactions are eliminated in preparing the consolidated financial statements. Unrealized gains on transactions with companies accounted for using the equity method are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same manner as unrealized gains, but only if there is no indication of impairment.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of the parent company and the reporting currency of these consolidated financial statements is the euro (EUR). The functional currency of foreign subsidiaries is the currency of the country in which the companies operate.

In preparing the financial statements of each of the Group companies, transactions denominated in currencies other than the functional currency of the Group company (foreign currencies) are translated using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated using the closing rate. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the exchange rates at the date when the fair value was determined. Non-monetary items measured at acquisition or production cost are translated using the exchange rate at the date of initial recognition.

Translation differences arising from monetary items are recognized in profit or loss in the period in which they occur.

Translation differences from non-monetary items are treated differently. If gains or losses from a non-monetary item are recognized directly in other comprehensive income, the translation difference is also recognized directly in equity. If gains or losses from a non-monetary item are recognized in profit or loss, the translation difference is also recognized in profit or loss.

For preparing consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into euros (EUR) using exchange rates prevailing at the reporting date. Income and expenses are translated at the average exchange rate for the period unless the exchange rates for the period have fluctuated significantly. In this case, the exchange rates at the date of the transaction are used. Exchange differences arising from the translation of foreign operations into the Group currency are recognized in other comprehensive income and accumulated in the foreign currency translation reserve.

On disposal of a foreign operation, all accumulated translation differences attributable to the Group from that operation are reclassified to profit or loss. The following transactions are considered to be disposals of foreign operations:

- the disposal of the entire Group interest in a foreign operation,
- a partial disposal with loss of control over foreign subsidiaries or
- a partial disposal of an interest in a joint arrangement or an associated company that includes a foreign operation.

When parts of a subsidiary that includes a foreign operation are disposed of without loss of control, the share of the amount of exchange differences attributable to the disposed interest is allocated to non-controlling interests from the date of disposal. However, in the case of a partial disposal of shares in associated companies or joint arrangements without a change in status, the corresponding share of the amount of the translation differences is reclassified to profit or loss.

The exchange rates of the foreign currencies relevant for the Group developed as follows:

Currency rates	Closing rate		Average price	
EUR 1 =	**12/31/2024**	12/31/2023	**2024**	2023
PLN	4.28	4.34	4.30	4.54
RON	4.98	4.97	4.98	4.95
HUF	411.44	382.10	397.07	381.85
TRY	36.62	32.57	35.76	25.76
CHF	0.94	0.93	0.95	0.97
USD	1.04	1.10	1.08	1.08
DKK	7.46	7.46	7.46	7.45
GBP	0.83	0.87	0.85	0.87
AED	3.80	4.05	3.97	3.97
HKD	8.04	8.63	8.43	8.47

To reflect changes in purchasing power at the balance sheet date, the carrying amounts of non-monetary assets and liabilities, equity attributable to shareholders, and other comprehensive income of the subsidiaries in hyperinflationary economies are translated into the measuring unit current at the balance sheet date. This is done based on a general price index in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies". In contrast, no translation is required for monetary assets and liabilities already measured in the measuring unit applicable at the balance sheet date, as these represent cash held, to be received or paid.

Turkey has been classified as a hyperinflationary economy since April 1, 2022. Consequently, the provisions of IAS 29 “Financial Reporting in Hyperinflationary Economies” are relevant for our subsidiary in Turkey. Accordingly, the financial statements of a company whose functional currency is that of a hyperinflationary economy, regardless of whether they are based on the historical acquisition and production cost approach or the current cost approach, must be stated in the measuring unit applicable on the balance sheet date. Certain procedures must be applied to adjust the financial statements. Amounts in the balance sheet that are not yet stated in the measuring unit applicable on the balance sheet date are adjusted using a general price index. For translation into the presentation currency (euro), all amounts are translated at the closing rate as of December 31, 2024.

To reflect changes in purchasing power on the balance sheet date, the carrying amounts of non-monetary assets and liabilities, equity and total comprehensive income of subsidiaries in hyperinflationary economies are adjusted based on a measuring unit applicable on the balance sheet date. These are indexed using a general price index in accordance with IAS 29.

Some of these non-monetary items are carried at the amounts applicable on the balance sheet date, for example at net realizable value and fair value, and are therefore not adjusted. All other non-monetary assets and liabilities are adjusted. Most non-monetary items are carried at cost or amortized cost and are therefore recognized at the amount applicable at the time of acquisition. The adjusted or amortized cost of each item is determined by applying to the historical cost and accumulated depreciation the change in a general price index that occurred between the acquisition date and the balance sheet date. Property, plant and equipment, inventories of raw materials and supplies, goodwill, patents, trademarks and similar assets are thus adjusted from their acquisition date. Inventories of semi-finished and finished goods are adjusted from the date on which the acquisition and production costs were incurred. The adjusted value of a non-monetary item is reduced accordingly if it exceeds the recoverable amount. In such cases, the adjusted value is therefore reduced to the recoverable amount for property, plant and equipment, goodwill, patents and trademarks and to the net realizable value for inventories.

Non-monetary assets that have been adjusted in accordance with the guidelines in IAS 29 continue to be subject to an impairment assessment in accordance with the guidelines in the relevant IFRS.

Monetary items are not adjusted as they are already stated in the monetary unit applicable on the balance sheet date. Monetary items are cash and cash equivalents or items for which the company pays or receives money.

All items in the income statement must be stated in the measuring unit applicable on the balance sheet date. This means that all amounts must be adjusted using the general price index from the date on which the respective income and expenses were first recognized in the financial statements.

The application of IAS 29 is immaterial to the Group’s profitability, liquidity, capital resources and financial position for the fiscal year. The specific factors used to apply IAS 29 are listed in the table below.

Consumer price index	
Index as of December 31, 2024	2,684.55
Index as of December 31, 2023	1,859.38
Index as of December 31, 2022	1,128.45
Adjustment factor	**1.4438**

The effects on the individual items of the consolidated balance sheet and consolidated income statement are as follows:

EUR thousand	**12/31/2024**
Non-current assets	**636**
Goodwill	278
Intangible assets	17
Property, plant and equipment	341
Current assets	**28**
Inventories	28
Equity	**–13**
Retained earnings	–12
Other reserves	–1
Current liabilities	**–618**
Contract liabilities	–484
Other liabilities	–135
Income Statement	**–35**
Sales revenue	–810
Cost of sales	552
Financial income	222

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION PRINCIPLES

2.4.1 Acquisition cost principle

The consolidated financial statements are generally prepared using the acquisition cost principle. This does not apply to certain non-derivative financial assets, which are measured at fair value.

2.4.2 Measurement of the fair value

All assets and liabilities for which fair value is reported in the financial statements are categorized in the fair value hierarchy described below based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value observation as a whole is directly or indirectly observable in the market,
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value observation as a whole is unobservable in the market.

For assets and liabilities recognized in the financial statements on a recurring basis, the Group determines whether reclassifications between levels in the hierarchy have occurred by reviewing the classification (based on the lowest level input that is significant to the fair value observation as a whole) at the end of each reporting period.

2.4.3 Research and development costs

Research costs are recognized as an expense in the period in which they are incurred. Development costs incurred as part of an individual project are capitalized if they meet the recognition criteria of IAS 38.

It is the consensus view that companies conducting research on biosimilar drugs should not capitalize the expenses associated with this work until regulatory approval has been received or is imminent. In the case of development work related to the development of a new product or manufacturing process in the pharmaceutical industry, the granting of regulatory approval is appropriate evidence of the technical feasibility of completing the intangible asset and bringing it to market. As a result, only a small portion of the expenditure for the development of a new product or production process can be capitalized.

After initial recognition, development costs are carried at acquisition cost less accumulated amortization and accumulated impairment losses. Amortization commences on completion of the development phase and from the date on which the asset is available for use. They are recognized over the period of expected future benefit and are included in cost of sales. An impairment test is performed annually during the development phase.

2.4.4 Intangible assets

Individually acquired intangible assets that are not acquired in a business combination are initially measured at acquisition cost. The acquisition cost of intangible assets acquired in a business combination is their fair value at the acquisition date. After initial recognition, intangible assets are carried at acquisition cost less any accumulated amortization and any accumulated impairment losses.

Intangible assets with finite useful lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each fiscal year-end. If there has been a change in the expected useful life of the asset or in the expected pattern of consumption of the future economic benefits embodied in the asset, the asset is amortized over a different period or using a different amortization method. Such changes are treated as changes in an accounting estimate. Amortization of intangible assets with finite useful lives is recognized in the income statement in the expense category consistent with the function of the intangible asset.

The accounting policies applied to the Group's intangible assets (excluding goodwill) are summarized as follows:

	Development costs	Patents and licenses	Acquired contracts	Customer relationships and brand names
Useful lives	Finite useful life, amortization over the expected product life cycle of 5 years	Finite useful life, amortization over the expected useful life of 2 to 15 years	Finite useful life, amortization over the expected term of the contracts, up to which the majority of the expected cash inflows will be collected (12 to 20 years)	Finite useful life, amortization over the expected term of 2 to 23 years
Amortization method used	Amortization is calculated using the straight-line method over the expected useful life			
Internally created or acquired	Internally created	Acquired	Acquired	Acquired

Intangible assets not yet ready for use are not amortized, but tested for impairment on an ad hoc basis or at least once a year.

Gains or losses arising from the derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss in the period in which the item is derecognized.

2.4.5 Property, plant and equipment

Property, plant and equipment that is not acquired as part of a business combination is recognized at cost less accumulated depreciation and impairment losses. The cost of property, plant and equipment acquired as part of a business combination corresponds to its fair value at the time of acquisition.

Property, plant and equipment under construction is measured at the amount of the total costs directly attributable to its acquisition or construction, including financing costs, less any impairment losses. Assets under construction are not depreciated until their construction is complete and they are available for use.

Costs incurred after an item of property, plant and equipment is ready for use, such as costs for repairs, overhauls, maintenance or operating costs, are recognized in the income statement in the reporting period in which they are incurred. If it can be demonstrated that the capitalization criteria are met for costs incurred after the initial recognition of an item of property, plant and equipment, these costs increase the original value of the item of property, plant and equipment.

Depreciation begins when an asset is available for use. Scheduled straight-line depreciation is based on the estimated useful lives of the assets. Depreciation is discontinued when the asset is classified as held for sale or derecognized from the balance sheet.

Overview of the useful lives of assets:

	Useful life
Building	10 to 40 years
Laboratory equipment	5 to 20 years
Cryogenic tanks	25 years
Cryogenic tank accessories	25 years
Vehicles	2 to 7 years
Office and business equipment	3 to 20 years

The carrying amounts of property, plant and equipment are tested for impairment as soon as there are indications that the carrying amount of an asset exceeds its recoverable amount.

The residual values of assets, useful lives and depreciation methods are reviewed at the end of each fiscal year and adjusted if necessary.

2.4.6 Leases

Leases are accounted for in accordance with IFRS 16 (Leases). Under IFRS 16, lessees are generally required to recognize rights and obligations arising from leases in their balance sheets. Lessees recognize the right to use a leased asset ("right-of-use asset") under non-current assets and a corresponding lease liability.

When concluding a contract, the Group assesses whether this contract contains a lease, i.e. the right to control the use of an identified asset for a certain period of time in return for payment. For all leases, the Group recognizes assets for the right to use the leased assets and liabilities for the payment obligations resulting from the leases. Exceptions to this are short-term leases and leases of low-value assets, for which the payments are recognized as an expense in the income statement on a straight-line basis using the practical expedients in IFRS 16.

Right-of-use assets

The Group recognizes right-of-use assets from leases from the date on which the asset in question is available for use. Right-of-use assets are measured at amortized cost less accumulated depreciation and impairment losses.

Changes from the remeasurement of lease liabilities are recognized in the carrying amount of the right-of-use asset. The acquisition costs include the value of the recognized lease liability plus the lease payments made prior to provision, initial direct costs and restoration obligations less lease incentives received. After initial recognition, the Group measures a right-of-use asset in a similar way to other non-current non-financial assets, i.e. it recognizes the amortization of the right-of-use asset and any impairment losses. Right-of-use assets are amortized on a straight-line basis over the lease term. In cases of changes from the remeasurement of lease liabilities, the Group uses the incremental borrowing rate at the time of the remeasurement to update the carrying amount of the right-of-use asset, unless the interest rate implicit in the lease can be readily determined.

Lease modifications are accounted for in accordance with IFRS 16. A lease modification is a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions. Examples of lease modifications include extending or shortening the lease term or changing lease payments.

If a lease modification increases the scope of the lease by adding the right to use one or more underlying assets and the lease payments increase commensurately, the modification is accounted for as a separate lease.

For all other lease modifications, the Group reassesses the lease liability based on the revised lease payments, discounted using a revised discount rate. The revised discount rate is the interest rate implicit in the lease at the modification date, if it can be readily determined. If this rate cannot be readily determined, the Group uses its incremental borrowing rate at the modification date. The corresponding adjustment is recognized in the carrying amount of the right-of-use asset.

Leasing agreements exist at FamiCord as lessee, particularly in connection with real estate and transportation equipment.

Overview of the useful lives of the rights of use:

	Useful life
Buildings, premises and engineering structures	10 to 20 years
Vehicles	2 to 5 years

Lease liabilities

The Group recognizes lease liabilities from the date on which the asset in question is available for use. The lease liability is measured at the present value of the lease payments to be made over the term of the lease.

Lease payments include:

- fixed payments less lease incentives to be paid by the lessor,
- variable payments,
- expected payments from residual value guarantees,
- the exercise price of a call option (if the exercise was deemed sufficiently certain) and
- contractual penalties on termination of a lease.

Lease payments are discounted using the interest rate on which the lease is based, if determinable. Otherwise, they are discounted using the lessee’s incremental borrowing rate.

The lessee’s incremental borrowing rate is the sum of the risk-free interest rate and the Group companies’ credit risk premium, quantified based on the range of margins available to the Group companies for investment credit facilities that are adequately secured by the companies’ assets.

Insofar as leases contain extension or termination options, changes to the term resulting from these options are only taken into account if the exercise or non-exercise of such options is reasonably certain.

The carrying amount of a lease liability is remeasured if there is a change in the lease (e.g. regarding the amount of the lease payments or the term of the lease).

2.4.7 Financial assets

Initial recognition and measurement of financial assets

In accordance with IFRS 9, financial assets are classified into the following measurement categories:

(1) Financial assets at amortized cost (debt instruments)

(2) Financial assets measured at fair value through other comprehensive income (debt instruments)

(3) Financial assets measured at fair value through other comprehensive income (equity instruments)

(4) Financial assets measured at fair value through profit or loss

The classification of financial assets on initial recognition depends on the characteristics of the cash flow conditions and the business model conditions of the financial asset. When financial assets are initially recognized, they are measured at fair value. In the case of financial assets that are not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset are also included. Transaction costs in connection with financial assets measured at fair value through profit or loss are recognized in the income statement. The Group determines the classification of its financial assets upon initial recognition. Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing financial assets. In this case, all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

Regular way purchases and sales of financial assets are recognized on the settlement date, i.e. the date on which an asset is delivered to or by the company. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a period established by regulation or convention in the marketplace.

Subsequent measurement of financial assets

(1) Financial assets at amortized cost (debt instruments)

The Group classifies financial assets in this category if the following conditions are met:

- The financial asset is held to collect the contractual cash flows as part of the Group's business model and is measured at amortized cost.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are measured using the effective interest method and assessed for impairment. Non-current non-interest-bearing receivables are discounted using a market interest rate with an equivalent term. Gains and losses from financial assets at amortized cost are recognized in the income statement.

Financial assets at amortized cost mainly include trade receivables and loans whose cash flows from these loans consist exclusively of principal and interest payments.

(2) Financial assets measured at fair value through other comprehensive income (debt instruments).

The Group classifies financial assets in this category if the following conditions are met:

- The financial asset is held to collect the contractual cash flows as part of the Group's business model and
- The contractual terms of the financial asset result in cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Gains and losses from financial assets measured at fair value through other comprehensive income are recognized in other comprehensive income. This does not include impairment losses and income, interest from the application of the effective interest method and gains and losses from currency translation. If the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to the income statement.

The financial assets from debt instruments measured at fair value through other comprehensive income include securities investments, which are reported under non-current assets.

(3) Financial assets measured at fair value through other comprehensive income (equity instruments)

On initial recognition, the Group may decide to irrevocably classify its investments as investments measured at fair value through other comprehensive income if they meet the definition of equity under IAS 32 and are not held for trading. The classification is made individually for each instrument.

Gains and losses from such financial assets are recognized in other comprehensive income and are not subsequently transferred to the income statement.

The financial assets from equity instruments measured at fair value through other comprehensive income include the other investments listed in section 4, insofar as this classification was selected.

(4) Financial assets measured at fair value through profit or loss

All financial assets that are not measured at amortized cost or at FVOCI (for example, derivative financial instruments, financial assets with cash flows that are not solely payments of principal and interest that are held for trading and those that are managed and their performance is evaluated on a fair value basis) are measured at FVTPL. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near future. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets in this category are recognized in the balance sheet at fair value, with the net changes in fair value being recognized in the income statement.

The financial assets measured at fair value through profit or loss mainly include derivatives and investments in shares.

Derecognition of financial assets

A financial asset is derecognized when the right to receive cash flows from the financial asset expires or the financial asset is transferred.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments that are not measured at fair value through profit or loss. ECLs are based on the difference between the agreed cash flows in accordance with the respective contract and the discounted expected cash flows.

ECLs are determined in three stages. For credit risks that have not increased significantly since initial recognition, ECLs are recognized for credit losses resulting from default events that are possible within the next twelve months (12-month ECL). For credit risks that have increased significantly since initial recognition, an allowance for expected credit losses is recognized over the remaining term of the exposure regardless of the time of default (lifetime ECL). In addition, specific findings available in individual cases are included in the measurement of credit risks.

For trade receivables without a financing component, the Group applies a simplified approach to calculating ECLs. Therefore, the Group does not track changes in credit risk, but recognizes an allowance based on lifetime ECLs at each reporting date. The Group has created an impairment matrix based on its experience in the area of historical credit risk, adjusted for forward-looking factors that are specific to the debtors and the economic environment.

For debt instruments measured at fair value through other comprehensive income, the Group assesses at each reporting date whether the debt instrument has a low credit risk, taking into account all reasonable and supportable information that is available without undue effort or cost. In this approach, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group believes that the credit risk has increased significantly if contractual payments are more than 30 days overdue.

2.4.8 Financial liabilities

Initial recognition and measurement of financial liabilities

The Group's financial liabilities include trade payables and other liabilities as well as loans and credits.

All financial liabilities are initially recognized at fair value and, in the case of loans and liabilities, less directly attributable transaction costs.

Liabilities from put options held by minority shareholders that are not traded on an active market are recognized at the present value of the repurchase amount. The initial recognition of put options of minority shareholders is made against non-controlling interests.

Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification as described below:

(1) Financial liabilities measured at amortized cost

After initial recognition, these liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized and as part of the amortization process of the effective interest method.

Amortized cost is calculated taking into account any discount or premium on the acquisition and any fees or costs that are an integral part of the effective interest rate. The amortization of the effective interest method is recognized as financing costs in the income statement.

This category applies to interest-bearing loans, trade payables and other financial liabilities.

The subsequent measurement of put liabilities is based on the best possible estimate of the potential repurchase obligation as of the reporting date.

(2) Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss comprise financial liabilities held for trading and financial liabilities classified as measured at fair value through profit or loss upon initial recognition.

In the Group, this category includes derivatives and contingent considerations that are recognized as part of a business combination.

All gains or losses resulting from the measurement of these financial liabilities are recognized in profit or loss unless they are part of a designated hedging relationship.

Derecognition of financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognized in the income statement.

2.4.9 Inventories
Inventories are measured at the lower of cost or net realizable value. The cost of inventories is based on the first-in, first-out allocation method.

The net realizable value is the realizable selling price on the balance sheet date less value added tax and excise duties, discounts, rebates and other similar items as well as the costs necessary for the sale.

In addition to production materials and production wages, the production costs for work in progress also include appropriate portions of the overheads of the production area and depreciation, insofar as they are attributable to the production area. Administrative and distribution costs as well as interest are not included.

If the reasons for a previous impairment of inventories no longer exist or if the net realizable value has increased, the impairment is reversed. The reversal is limited to the amount of the original impairment loss, so that the new carrying amount does not exceed the original cost.

2.4.10 Cash and cash equivalents
Cash and cash equivalents and short-term deposits in the balance sheet comprise cash on hand, bank balances and short-term deposits with original maturities of no more than three months. Cash and cash equivalents that are not freely available are reported separately.

For the purposes of the cash flow statement, cash and cash equivalents comprise the cash and cash equivalents and short-term deposits defined above.

2.4.11 Treasury shares

If the Group acquires treasury shares, these are recognized at cost and deducted from equity. The purchase, sale, issue or redemption of treasury shares is recognized directly in equity. Any differences between the carrying amount and the consideration are recognized directly in equity.

2.4.12 Provisions

A provision is recognized when the Group has a present obligation (legal, contractual or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the Group expects at least a partial reimbursement for a provision recognized as a liability, the reimbursement is only recognized as a separate asset if the reimbursement is virtually certain. The expense for recognizing the provision is reported in the income statement after deduction of the reimbursement. If the effect of the time value of money is material, provisions are discounted at a pre-tax rate that reflects the risks specific to the liability and market assessments of the time value of money. In the case of discounting, the increase in provisions due to the passage of time is recognized as interest expense.

2.4.13 Pension provisions

As part of a business combination in 2012, the company took over a pension agreement and the reinsurance policies concluded in this context. The company made contributions to an insurance company for this pension obligation. The amount of the pension obligation is determined using the actuarial projected unit credit method. The company recognizes actuarial gains and losses in full in other comprehensive income in the reporting period in which they occur. Actuarial gains and losses are recognized immediately in retained earnings and are not reclassified to profit or loss in subsequent years.

The amount to be recognized as a liability from a defined benefit plan includes the present value of the defined benefit obligation (using a discount rate based on first-class, fixed-interest corporate bonds; see section 7.2.4) and the fair value of the plan assets available for the direct fulfilment of obligations. Plan assets include qualifying insurance policies. The plan assets are protected from access by creditors of the Group and cannot be paid directly to the Group. The fair value is based on information about the market price. The value of a recognized asset of the defined benefit plan generally corresponds to the present value of any economic benefit in the form of refunds from the plan or in the form of a reduction in future contributions to the plan. As the plan assets comprise a qualifying insurance contract that precisely covers all promised benefits in terms of their amount and maturity, the recognition of plan assets is limited to the present value of the obligations covered.

2.4.14 Trade liabilities

The balances relate to outstanding liabilities for goods and services received by the Group before the end of the fiscal year. Trade payables and other liabilities are reported as current liabilities unless they are not due for settlement within 12 months of the reporting period. They are initially recognized at fair value and subsequently at amortized cost using the effective interest method.

2.4.15 Sales revenue

Revenue is recognized when control of a promised good or service is transferred to a customer. It is measured at the transaction price of the consideration received or receivable, taking into account variable consideration. Value added tax and other charges collected on behalf of third parties are not taken into account.

Revenue from contracts with customers

The Group generates revenue from the provision of services and the sale of goods and materials. The Group recognizes revenue when it fulfils a performance obligation by transferring a promised good or service to a customer.

Invoices to customers are issued in accordance with the contractual conditions and usually provide for payment within 14 to 30 days of invoicing. The fee to be paid by the customer does not include any variable remuneration components.

Multi-component transactions

The production and storage of cell deposits represent the main part of the services provided by the Group. Both the production and storage of cell deposits are separate performance obligations of a multi-component transaction. Revenue from the production of cell deposits is recognized at a point in time after the process of collecting, preparing and storing the cells has been completed. Revenue from the storage of cell deposits is recognized over time over the contractually agreed storage period. The input-based method is used to measure the stage of completion, as it is not possible to measure the inflow of benefits to the customer (output-based method) in isolation for the performance obligation "storage of a cell deposit". Revenue is therefore recognized pro rata temporis over the agreed storage period. Price discounts are allocated proportionately to the two performance obligations.

As a rule, the Group collects part of the fee immediately after completion of the processing. The provision of storage services can be paid annually in advance or in arrears or as a prepayment over several years. The contracts also differ within the Group in terms of minimum contract terms. Due to the long storage periods, the Group has concluded an insurance that guarantees the storage of the cell deposits for the contractually agreed period.

The Group first determines the period for which it has an unconditional contractual right to receive consideration. This is usually the contractually agreed non-cancellable minimum term. Some prepayment contract models do not have a non-cancellable minimum term, but a refund of prepaid amounts is excluded in the event of premature termination. In this respect, the Group has come to the conclusion that this condition acts as a contractual penalty and therefore determines the contract term based on the period for which a prepayment was made.

The package prices to be paid by customers for the specified period are allocated to the two performance obligations "production of a cell deposit" and "storage of a cell deposit". As there are no stand-alone selling prices for the performance obligations due to legal and actual hurdles, the Group allocates them using the "expected cost plus a margin" approach, whereby the same relative margin in relation to the respective production costs is taken into account for both performance obligations. If the revenue attributable to the performance obligations exceeds the prepayment made for this, this amount is recognized under contract assets in the balance sheet. If the prepayment made is higher than the revenue attributable to the performance obligations, this amount is reported under contract liabilities. If, in the case of prepayments for several years, a legally permissible right of termination during the minimum contractual term or a right of the customer to switch to a different contract model with (partial) reimbursement of the prepayment made is possible, part of the prepayment is recognized as a repayment obligation. Contract assets and liabilities are recognized in accordance with the stage of completion of the performance obligation "storage of a cell deposit".

Existence of a financing component

In the case of prepayment for several years, the Group receives prepayments from the customer for the storage of cell deposits. In view of the nature of the service provided, the payment terms offered by the Group have been determined for reasons other than the provision of financing for the customer. The Group therefore concludes that these prepayments do not include a financing component.

The Group also offers annual payment contracts with a minimum contract term of several years without a statutory right of termination for the performance obligation "storage of a cell deposits". The transaction price for this contract is calculated taking into account all payments to be made by the customer during the contract period. In these cases, the payment received from the customer at the start of the contract is below the cost of the performance obligation "storage of a cell deposit". The Group therefore comes to the conclusion that there is a financing component for these contracts. Therefore, an adjustment for the time value of money is made for payments due in more than one year.

If the consideration for the multi-year performance obligation has already been invoiced, the outstanding payments are recognized under trade receivables in the consolidated balance sheet; if no invoice has yet been issued, the payments still to be received are shown under contract assets.

Contract assets and liabilities
The contract assets represent the Group's right to consideration for services transferred as part of a multiple-element transaction to the extent that these exceed the payment made to date. This does not apply to customer contracts for which the consideration has already been invoiced in full and is recognized accordingly in trade receivables, as described in the previous paragraph.

Contract liabilities comprise prepayments made by customers for storage services for the periods specified in the individual contracts, which are recognized as revenue on a pro rata basis over the period to which they relate. In addition, obligations to fulfill concluded storage contracts are recognized under contract liabilities. These are obligations assumed as part of business combinations for the storage of cell deposits over a contract-specific storage period.

Repayment obligations
The repayment obligations comprise prepayments made by customers for storage services to which they are entitled in the event of a possible switch to a different contract model or if they exercise a statutory right of termination before the end of the minimum contractual term.

Other revenue
Other revenue includes revenue from other medical services such as advanced therapies, genetic tests and analyses for third parties. This other revenue is realized exclusively at a point in time. Outstanding amounts are reported in the balance sheet under trade receivables.

2.4.16 Government grants

Government grants are recognized at fair value if there is reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. In the case of expense-related grants, they are recognized as income over the period necessary to match them with the related expenses for which they are intended to compensate. If the grant relates to an asset, it is recognized as deferred income and released to income on a straight-line basis over the expected useful life of the asset in question. Note 7.2.5 contains further information on how the Group accounts for government grants.

2.4.17 Income taxes

Actual tax refund claims and tax liabilities
Actual income taxes are recognized in the balance sheet at the time they are incurred.

The actual tax refund claims and tax liabilities for the current period and for previous periods are measured at the amount expected to be refunded by the tax authorities or paid to the tax authorities. The amount is determined taking into account the respective local tax laws and existing case law. The calculation of the amount is based on the tax rates and tax laws that apply or will soon apply on the reporting date.

Management regularly reviews the items in the tax returns regarding situations in which the applicable tax law permits different interpretations and assesses whether it appears likely that the tax authorities will accept an uncertain tax treatment. The Group assesses the impact of the uncertainty arising from these treatments using the most likely amount or the expected value, depending on which method is more suitable for predicting the resolution of the uncertainty.

Deferred tax assets and liabilities

Deferred taxes are recognized using the balance sheet liability method on all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base as of the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, unless the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit before tax nor taxable profit (tax loss).

Deferred tax assets are recognized for all deductible temporary differences, unused tax loss carryforwards and unused tax credits to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the unused tax loss carryforwards and tax credits can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which the deferred tax asset can be utilized, at least in part. Unrecognized deferred tax assets are reviewed at each reporting date and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled. The tax rates (and tax regulations) used are those that are enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized in profit or loss unless they relate to items that are recognized directly in equity or in other comprehensive income. In this case, the taxes are also recognized in other comprehensive income or directly in equity.

Value added tax

Revenues, expenses and assets are recognized net of sales taxes. The following exceptions apply:

- If the sales tax incurred on the purchase of goods or services cannot be recovered from the tax authorities, the sales tax is recognized as part of the cost of the asset or as part of the expense.
- Receivables and liabilities are recognized together with the VAT amount contained therein.

The amount of VAT refunded by or paid to the tax authorities is recognized under receivables or liabilities in the balance sheet.

2.4.18 Financial income and financial expenses

Financial income and expenses include interest on borrowed capital, exchange rate differences on borrowed capital and losses from derivatives (interest rate swaps), which are recognized in the income statement.

Other borrowing costs are recognized in the income statement.

2.4.19 Share-based remuneration program

There is a share-based remuneration program (so-called long-term incentive or LTI program) with the members of the Management Board. The program is accounted for in accordance with the provisions of IFRS 2 on cash-settled share-based payment transactions. The obligations from the LTI program were recorded under provisions. The amount of the obligation corresponds to the fair value of the vested shares of the respective commitments as of the balance sheet date. All resulting changes in value are recognized in profit or loss. Detailed information on the structure and presentation of the program is provided in section 9.2.

Additionally for equity-settled share-based payment transactions, IFRS 2.7 requires entities to recognise an increase in equity when goods or services are received. The total amount to be recognized as an expense for the work received is determined based on the fair value of the share-based payment instrument at the grant date. However, IFRS 2 Share-based Payment does not specify where in equity this should be recognised. The Group has chosen to recognise the credit in retained earnings. In some jurisdictions, it is common to transfer amounts recognised in other capital reserves to share premium or retained earnings when the share options are exercised or expire. Such transfer is also permitted by IFRS 2.23. However, the transfer to share premium is subject to legal restrictions that are in force in each jurisdiction. The Group has elected to continue to present retained earnings separately. The number of shares granted is subject to an estimate made by the Group, which leads to adjustments in subsequent periods. For equity share-based payment program in subsidiaries the cost of the program is reclassified to minority interest on a Group level once employees exercise share options.

2.4.20 Earnings per share

(1) Basic earnings per share

Basic earnings per share are calculated by division:

- of the profit attributable to the owners of the company excluding the cost of servicing equity other than ordinary shares,
- by the weighted average number of ordinary shares outstanding in the fiscal year, adjusted for bonus shares issued in the fiscal year and excluding treasury shares (Note 7.2.1).

(2) Diluted earnings per share

In the diluted earnings per share, the figures used to calculate the basic earnings per share are adjusted to take account of this:

- the after-tax effect of interest and other financing expenses associated with the dilution of potential ordinary shares, and
- of the weighted average number of additional ordinary shares that would have been in circulation assuming the conversion of all diluted potential ordinary shares.

2.5 APPLICATION OF NEW ACCOUNTING STANDARDS

New, currently valid requirements

Amendments to the standards whose application is mandatory for companies with fiscal years beginning on or after January 1, 2024:

Standard/interpretations	Contents	Endorsement	Obligation to use
Amendments to IAS 1	Classification of liabilities as current or non-current, deferral of the date of initial application, non-current liabilities with covenants	12/19/2023	01/01/2024
Amendments to IFRS 16	Requirements for the subsequent measurement of leases as part of a sale and leaseback for seller-lessees	11/20/2023	01/01/2024
Amendments to IAS 7 and IFRS 7	Supplier financing agreements	05/15/2024	01/01/2024

The amendments listed above had no effect on amounts recognized in previous years and the current reporting period and are not expected to have a material impact on future reporting periods.

Various new accounting standards, amendments to standards and interpretations have been published, but are not mandatory for reporting periods ending on December 31, 2024, and have not been applied early by the Group. The Group does not consider the impact of these new regulations on the current or future reporting periods or on foreseeable future transactions to be material.

Standards and interpretations to be applied in the future

The International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) have adopted or will adopt further standards, interpretations and amendments to standards that are not yet mandatory for the fiscal year 2024 and have not yet been applied to these consolidated financial statements. These include:

Standard/interpretations	Contents	Endorsement	Obligation to use
Amendments to IAS 21*	Lack of exchangeability	11/12/2024	01/01/2025
Amendments to IFRS 9 and IFRS 7*	Classification and Measurement of Financial Instruments	05/30/2024	01/01/2026
Annual Improvements Project (AIP)*	Improvements to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	07/18/2024	01/01/2026
IFRS 18*	Presentation and Disclosure in Financial Statements	04/09/2023	01/01/2027
IFRS 19*	Subsidiaries without Public Accountability: Disclosures	05/09/2024	01/01/2027

* EU endorsement still outstanding at the time of publication of the consolidated financial statements

FamiCord is currently assessing the potential impact of IFRS 18 on its consolidated financial statements. While the standard is not expected to affect the recognition on measurement of assets, liabilities, or equity, it may result in significant changes to the structure and presentation of the primary financial statements, including the income statement and cash flow statement, as well as additional disclosures. At this stage, the quantitative and qualitative effects of applying IFRS 18 cannot be reasonably estimated.

Apart from IFRS 18, FamiCord has evaluated the other standards and interpretations that have already been published but have not yet come into force, will not have any significant impact on the Group's financial reporting.

3. RISKS

3.1 SIGNIFICANT ESTIMATES AND DISCRETIONARY DECISIONS

The preparation of the financial statements requires the use of accounting estimates, which by definition rarely correspond to the actual results. The application of the Group's accounting policies is also subject to various judgments made by management. Below we provide an overview of areas involving a higher degree of judgment or complexity and items that are likely to require a material adjustment if estimates and assumptions prove to be incorrect. Detailed information on these estimates and discretionary decisions is included in the other notes, together with the basis of calculation for each financial statement item concerned.

Impairment test of goodwill

Goodwill is subject to an impairment test. Impairment tests are carried out in the fourth quarter of the fiscal year and independently of this if significant events or changes in circumstances occur that indicate a need for impairment.

The goodwill acquired as part of the business combinations was allocated to the respective cash-generating units for impairment testing. To determine the need for impairment, the recoverable amount of a cash-generating unit is compared with its carrying amount.

The recoverable amount of the respective cash-generating unit is determined based on a value-in-use calculation using cash flow projections based on financial budgets prepared by the management for a period of five years . Sixth and seventh year of cash flow projections cover technical convergence phase which is a transition phase into steady phase. All known exogenous factors on the recoverable cash flows were taken into account. The recoverable amount is heavily dependent on the discount rate used in the discounted cash flow method and the expected future cash inflows. The basic assumptions for determining the recoverable amount, including a sensitivity analysis, are explained in Note 7.1.1.

Estimated useful lives

Depreciation and amortization rates are determined based on current knowledge of the expected useful lives of property, plant and equipment and intangible assets. The expected useful lives are reviewed regularly. Details of the amortization and depreciation periods can be found in Notes 2.4.4 "Intangible assets" and 2.4.5 "Property, plant and equipment".

Current and deferred income taxes

Current income taxes are recognized on the balance sheet at the time they are incurred. The actual tax refund claims and tax liabilities for the current period and for previous periods are measured at the amount expected to be refunded by the tax authorities or paid to the tax authorities. The calculation is made taking into account the respective local tax laws and existing case law. The complexity of these regulations and possible differences in their interpretation lead to uncertainties regarding the tax treatment of individual transactions. In accordance with IFRIC 23, these uncertain tax items are measured at the most probable value of a possible claim.

Deferred taxes were capitalized on the loss carryforwards of Group companies existing on the reporting date if it can be assumed according to the planning calculations that the loss carryforwards will be utilized. Deferred tax assets for differences between the tax balance sheet values and the IFRS balance sheet values of the respective companies were offset against deferred tax liabilities. If there is a surplus of deferred tax assets, these were capitalized if it is considered probable that taxable income will be available for this purpose.

Revenue from contracts with customers

As part of revenue recognition, the package prices to be paid by customers are allocated to the two performance obligations 'production of a stem cell deposit' and 'storage of a stem cell deposit' in proportion to their stand-alone selling prices. As these stand-alone selling prices cannot be determined directly, the Group estimates them using the "expected cost plus a margin" approach, whereby the same relative margin in relation to the respective production costs is taken into account for both performance obligations.

Determination of the period for which an unconditionally enforceable claim to consideration exists:
The Group offers contracts with varying contract durations. In some subsidiaries, it is common for customers to be able to switch between contracts with different contract durations and between prepayments for several years and annual payments with the greatest possible flexibility. In some jurisdictions, there are also statutory termination rights that allow termination even during the contractually agreed minimum contract term. The contract term used for accounting purposes in accordance with IFRS 15 must therefore be derived individually for the various contract types, taking into account all possible factors, whereby estimates regarding the existence of substantial termination rights on the part of the customer are discretionary. In our opinion, the contractual bases include substantial contractual penalties as soon as the exclusion of termination is not legally permissible. On this basis, we derive the Group's entitlement to remuneration for the service provided over the entire contract period.

The customer concludes a contract for this by taking advantage of a special offer and receives discounts on the initial or basic fee or additional packages. The customer is obliged to repay the amount of these discounts if he withdraws from the contract or terminates it before the end of the contract term. The Management Board assumes that the termination fee is substantial as long as it amounts to at least 10% of the remaining contract volume. As long as a decreasing termination penalty during the first 10 years exceeds 10% of the remaining contract volume, it is assessed as a substantial termination penalty that gives rise to an enforceable claim within the meaning of IFRS 15.

Amongst other contract types for instance for contracts that include a prepayment model with a term of 18 years, the repayment of the prepayment discount, which is reduced over 10 years, constitutes a termination penalty similar to the subscription model. In addition, if the contract is terminated, the customer must also repay a benefit included in the contract for the expired contract term. In this case, the customer loses a benefit as the storage fees are recalculated based on the subscription model for the previous years. Even if the customer is not obliged to repay the benefit and does not receive a refund because the recalculated amount exceeds the amount paid in advance, the lost benefit constitutes a contractual penalty. Thus, the customer's obligation to repay the prepayment discount and the loss of benefit resulting from the 18-year prepayment model (as long as the recalculated storage fee does not exceed the original prepaid amount) can together be considered a substantial termination penalty that creates enforceable rights and obligations.

The substantial termination penalty is an important aspect in the assessment of the contract term to be applied for accounting purposes in accordance with IFRS 15. The determination of the period for which an unconditionally enforceable right to consideration exists has an impact on the total package price of the two performance obligations and on the allocation of revenue to the production of the cell deposit.

Allocation of the transaction price for multi-component transactions:
The expected price development of future storage costs is determined on a quarterly basis. The estimate of the expected price development for storage costs for contracts with a term of up to 50 years is subject to a corresponding degree of uncertainty. The Group includes all currently available information on cost increase rates and useful lives of assets in the estimate.

Leases

Determination of the term of a lease with an extension option:

The Group defines the term of the lease as the non-cancellable term of the lease and all periods covered by an option to extend the lease if it is reasonably certain that the option will be exercised.

The Group has several leases that include extension options. The Group makes an assessment as to whether it is reasonably certain that the option to extend the lease will be exercised.

Determination of the incremental borrowing rate:

The Group is regularly unable to determine the implicit interest rate of a lease. In these cases, the lease liability is measured using the incremental borrowing rate. This is the interest rate that the Group would have to pay under similar economic conditions for a loan – with a similar term and collateral – to acquire an asset with a similar value to the right-of-use asset.

The Group determines the incremental borrowing rate based on observable data such as market interest rates, taking into account company-specific adjustments.

3.2 FINANCIAL RISK MANAGEMENT

3.2.1 Objectives and methods of financial risk management

The Group's aim is to maintain a strong capital base to maintain the confidence of investors, creditors and the markets and to ensure the sustainable development of the Group. The Management Board regularly monitors the return on capital and the level of possible dividends.

The main financial instruments used by the Group comprise interest-bearing loans as well as cash and cash equivalents and short-term investments and are therefore the focus of capital management. The main purpose of these financial instruments is to finance the Group's business activities. The Group has various other financial assets and liabilities, such as trade receivables and trade payables, which arise directly from its business activities. The main risks to the Group arising from financial instruments are explained in Note 7.2.11.

3.2.2 Liquidity risk

The Group's aim is to maintain a balance between continuously covering its cash requirements and ensuring flexibility using loans and medium-term forms of investment such as securities. The Group constantly monitors the risk of any liquidity bottlenecks. The maturities of financial assets and financial liabilities as well as expected cash flows from operating activities are analyzed on an ongoing basis.

The following table shows the contractually agreed remuneration and repayments of primary financial liabilities:

EUR thousand	< 1 year	1 to 2 years	> 2 years
Interest-bearing loans	2,933	1,644	2,311
Leasing liabilities	3,393	4,316	5,550
Trade payables and other liabilities	8,102	0	0
Total	**14,428**	**5,960**	**7,861**

All instruments held as of December 31, 2024, and for which payments had already been contractually agreed were included. Planned figures for future new liabilities are not included. Financial liabilities repayable at any time are always assigned to the earliest time frame.

In the prior reporting year, the Management Board concluded bank financing tailored to the Group's structure. This replaced the credit lines that expired in both subgroups in 2023 and secures the Group's debt financing in the medium term. During the current reporting period, the agreed fixed-interest loan facility was not fully utilized. Consequently, the facility was contractually reduced in the second and third quarters of 2024 by the originally scheduled repayment amounts, even though no actual payments were made during these periods. The first actual repayment under the loan agreement occurred in December of the reporting year. Furthermore, the drawdown period for the loan facility was extended until 30 June 2025.

Due to the measures implemented, the short-term liquidity risk as of December 31, 2024, is therefore classified as low. The medium-term planning also shows that the core business – despite a generally difficult macroeconomic environment at present and some other special effects – is developing in financial equilibrium. Furthermore, compliance with the applicable credit terms is also expected, provided that the company's planning assumptions are achieved in the short term. The Management Board therefore expects to be able to further reduce liquidity risks in the medium term.

3.2.3 Credit risk

Credit risk is the risk that a business partner will fail to meet its obligations under a financial instrument, resulting in a financial loss.

The credit risk in the FamiCord Group primarily relates to trade receivables. Contract assets and other loans are also subject to credit risk, but the expected losses are not considered to be significant. The credit risk for cash and cash equivalents is limited, since the Group's counterparties are banks with high credit ratings.

Trade receivables

The Group concludes transactions with both private and corporate customers. Outstanding customer receivables and the contract volume are monitored regularly. Credit checks are sometimes carried out by an external credit institution.

The Group's preferred methods of payment are bank transfers, credit cards and prepayments. Decisions on the granting of loans are made taking into account the result of the solvency assessment, the contract value, the due date and the expected outstanding balance.

An analysis of expected credit losses is carried out at each balance sheet date using an impairment matrix. The provision rates are based on days past due for groupings of different customer segments with similar loss patterns (e.g. by geographical region, customer type and coverage by collateral provided by the customer). The calculation reflects the probability-weighted result, the time value of money and reasonable and supportable information available at the balance sheet date about past events, current conditions and forecasts of future economic conditions. The maximum default risk is limited to the carrying amount. There are no significant concentrations of default risks in the Group. Further information on expected losses and the development of value adjustments can be found under 7.1.7.

3.2.4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Group's market risk includes interest rate, foreign currency and share price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Movements in market interest rates can have a negative impact on the Group's financial results.

Since the financial liabilities of FamiCord are largely at fixed interest rates as of the reporting date, there are no significant risks from changes in market interest rates. The credit lines concluded in the prior reporting year have a term until 2027. Further details on the loan liabilities can be found in section 7.2.2.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument are exposed to fluctuations due to changes in exchange rates. The Group is exposed to increased exchange rate risks as part of its operating activities (if sales and expenses are denominated in a foreign currency). In the reporting period, the Group generated revenue and incurred expenses in Polish zloty (PLN), Romanian leu (RON), Hungarian forint (HUF), Turkish lira (TRY), Swiss franc (CHF), US dollar (USD), Danish krone (DKK), pound sterling (GBP), UAE dirham (AED) and Hong Kong dollar (HKD).

A change in the exchange rate can therefore have a fundamental impact on the consolidated balance sheet. For this reason, the effects of changes in the exchange rate are analyzed (the outcome of calculation with same parameters but with opposite sign would give the same impact in opposite direction):

EUR thousand Currency	Trade receivables	Effect increase in exchange rate +10%	Trade payables	Effect decrease in exchange rate −10%
PLN	1,394	139	2,216	222
RON	1,458	146	80	8
HUF	442	44	111	11
TRY	513	51	351	35
CHF	2,529	253	0	0
DKK	796	80	1	0
GBP	525	53	277	28
AED	1,303	130	302	30
HKD	184	18	24	2

In the comparative year, an analysis of the effects of changes in the exchange rate was as follows:

EUR thousand Currency	Trade receivables	Effect increase in exchange rate +10%	Trade payables	Effect decrease in exchange rate −10%
PLN	1,756	176	2,959	296
RON	1,181	118	109	11
HUF	421	42	109	11
TRY	314	31	171	17
CHF	2,609	261	0	0
USD	0	0	1,307	131
DKK	749	75	12	1
GBP	427	43	262	26
AED	691	69	300	30
HKD	70	7	15	2

Significant exchange rate fluctuations were recorded for the Turkish currency TRY. Turkey was classified as a hyperinflationary economy during the fiscal year 2022. Therefore, since then IAS 29 “Financial Reporting in Hyperinflationary Economies” applies to our subsidiaries in Turkey. Information on the consideration and consequences on the consolidated financial statements of FamiCord AG can be found in Note 2.3.

Share price risk

The Group holds a 1% stake in NextCell Pharma AB (Stockholm, Sweden), whose shares are listed on the Nasdaq First North Growth Market, and an 8% stake in Dystrogen Therapeutics (Chicago, USA), an unlisted company. Fair value of those investments as of December 31, 2024 amounted to EUR 518 thousand and thus set maximum risk exposure value related with those assets. Further information on the investments can be found in Notes 7.1.8 and 7.2.11.

3.2.5 Environmental risks

Increased level of uncertainty due to the overall economic situation

Due to the persistently dynamic macroeconomic environment, the degree of uncertainty in the preparation of the consolidated financial statements remains high. Uncertainty factors arose in particular due to the continuing high level of inflation, the development of interest rates, geopolitical challenges and the efforts of various countries to reduce international dependencies and the associated trade restrictions and sanctions. This applies in particular with regard to the recoverability of non-financial assets. Based on current knowledge, there have been no indications of significant impairments to date. Furthermore, as in previous years, there were no indications that it would have been necessary to deviate from the going concern principle when preparing the consolidated financial statements.

Effects of climate change

Overarching, direct and indirect consequences of climate change are becoming increasingly relevant for internal decision-making processes, as well as management estimates and assumptions. FamiCord anticipates structural, regulatory and technological changes in the market, as well as increased costs due to avoidance technologies or government regulation. The risks associated with climate change include extreme weather events, drought and heat waves. As a result, there are restrictions in the quality of life and potentially also a loss of prosperity in the target markets of the FamiCord Group. These long-term consequences can lead to a decline in the fertility rate and, thus, the market volume of FamiCord. To counteract this risk, FamiCord is particularly endeavoring to further increase its share of the market volume. In addition, the Management Board continuously monitors the consequences of climate change and the associated legislation. The consideration of the risk for the continuation of operations is covered by risk management and controlled operationally in the corporate units. Currently, no significant risks for our business model have been identified in the area of climate change. Therefore, FamiCord does not currently expect any significant effects of such risks on its business model, as well as on the presentation of its net assets, financial position and results of operations.

Effects of the war in Ukraine

The war in Ukraine did not result in any significant direct effects on the net assets, financial position and results of operations of FamiCord. The Group still does not conduct any business in Ukraine or in the countries subject to sanctions. Thus, the Group's impact continues to be limited to the indirect effects of the conflict, for example, the increasing energy prices or the negative effects on the global transportation and logistics sector.

The Group is monitoring all indirect effects and currently assumes that profitability can be maintained at the current level with appropriate countermeasures such as price increases.

Irrespective of this, all accounting-related estimates and assumptions are subject to review. The Group's business model is essentially based on the provision of long-term healthcare. For both our customers and ourselves, additional uncertainties in the long-term planning horizon require increased attention. In particular, the rise in consumer prices as a result of the conflict is leading to a general reluctance or postponement of consumption, meaning that investments in long-term healthcare may not be made.

As the Group has no direct links to the affected markets, only these indirect consequences of the conflict are included in the analysis. All foreseeable consequences of this macroeconomic slowdown are taken into account in our planning and analyses. As planned cash flows in particular are central to the measurement of the non-current assets recognized, there are implications for the impairment test of the goodwill reported. However, the influence of individual factors cannot be quantified in isolation, meaning that the indirect effects resulting from the war in Ukraine cannot be separated from the direct effects of the macroeconomic slowdown. At present, however, the indirect effects of the conflict between Russia and Ukraine do not lead to changes in the key accounting assumptions and estimates or have an impact on the consolidated financial statements beyond the reduced business volume.

3.3 CAPITAL MANAGEMENT

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern so that it continues to generate returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

Capital comprises the equity reported in the balance sheet. The Management Board also uses various key figures to assess and monitor the capital structure. These include first- and second-degree liquidity as well as the equity and debt ratio. There are no specific targets or objectives for individual ratios or minimum capital requirements. Requirements arising from loan agreements (covenants) are also taken into account as part of capital management.

4. COMPOSITION OF THE GROUP

4.1 GENERAL INFORMATION

The direct parent company of FamiCord AG is AOC Health GmbH, headquartered in Germany. The ultimate parent company of FamiCord AG is Active Ownership Group Ltd., based in Cyprus. Mr. Florian Schuhbauer and Mr. Klaus Röhrig are the ultimate controlling parties of FamiCord AG.

FamiCord AG is neither included in published consolidated financial statements nor in consolidated financial statements that are not published.

4.2 LIST OF SUBSIDIARIES

The Group's subsidiaries as of December 31, 2024 are listed below. Unless otherwise stated, the percentage of shares held corresponds to the voting rights held by the Group.

Name	Seat	**Capital share in % 12/31/2024**	Capital share in % 12/31/2023
Direct investments			
Seracell Pharma GmbH	Rostock, Germany	100	100
Novel Pharma S.L.	Madrid, Spain	100	100
Secuvita S.L.	Madrid, Spain	88	88
Vita 34 Gesellschaft für Zelltransplantate mbH	Vienna, Austria	100	100
Vita 34 ApS	Søborg, Denmark	100	100
Polski Bank Komorek Macierzystych Sp. z o.o.	Warsaw, Poland	100	100
Indirect investments			
Cilmes Šūnu Banka, SIA	Riga, Latvia	100	100
KRIO Intezet Zrt.	Budapest, Hungary	100	100
Biogenis S.R.L.	Bucharest, Romania	100	100
Sevibe Cells S.L.	Barcelona, Spain	63	63
FamiCord Italia S.R.L.	Milan, Italy	n/a	100
Yaşam Bankası Sağlık Hizmetleri İç ve Dış Tıcaret Anonım Şirketi	Ankara, Turkey	100	100
DIAGNOSTICA Bank Komórek Macierzystych Sp. z o.o.	Krakow, Poland	100	100
Cryoprofil S.A.	Warsaw, Poland	100	100
Instytut Terapii Komórkowych S.A.	Olsztyn, Poland	n/a	50
Krionet Kft.	Budapest, Hungary	100	100
FamiCord Suisse S.A.	Lugano, Switzerland	100	100
Stemlab, S.A.	Cantanhede, Portugal	100	100
Celvitae Biomédica SL	Madrid, Spain	63	100
NGI-LifeScience and Health International, S.A. (formerly: Bebécord Stemlife International, S.A.)	Lisbon, Portugal	100	100
FamiCordon S.A.	Madrid, Spain	63	63
FamiCordTX S.A.	Warsaw, Poland	76	76
Famicord-Acibadem Kordon Kanı Sağlık Hizmetleri A.Ş	Istanbul, Turkey	100	100
eticur GmbH	Munich, Germany	100	100
Sorgente s.r.l.	Milan, Italy	100	100
Centre Marcel-la Mas, S. L.	Barcelona, Spain	57	57
Smart Cells Holdings Ltd.	London, England	100	84
Smart Cells International Ltd.	London, England	100	84
Smart Cells Middle East Ltd.	Dubai, United Arab Emirates	n/a	84
Smart Cells International Middle East FZ LCC	Dubai, United Arab Emirates	100	84
Smart Cells (Hong Kong) Ltd.	Hong Kong	100	84

The disposals in the scope of consolidation relate to mergers within the scope of consolidation and acquisitions of shares. The company FamiCord Italia S.R.L.was merged into Sorgente s.r.l. The remaining shares in the company Smart Cells Holdings Ltd. were acquired in full. The companies Smart Cells Middle East Ltd. and Instytut Terapii Komórkowych S.A. were officially removed from the registry court.

Minority interests are held in the following companies:

	Shares held by minority shareholders	
%	**12/31/2024**	12/31/2023
Secuvita S.L., Madrid, Spain	12.0	12.0
Sevibe Cells Group, Barcelona, Spain	36.6	36.6
SmartCells Group, London, England	0.0	15.8
FamiCordTx, Warsaw, Poland	24.9	24.3

The summarized financial information and cash flows for subsidiaries with material non-controlling interests are as follows:

	Secuvita S.L.		Sevibe Cells Group		SmartCells Group		Famicord TX	
EUR thousand	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Non-current assets	3,762	4,172	4,659	5,105	n/a	4,124	525	1,063
Current assets	3,778	3,101	1,566	1,456	n/a	4,917	1,208	2,843
Non-current liabilities	4,046	3,988	6,095	6,280	n/a	7,682	0	0
Current liabilities	1,972	1,986	1,006	1,391	n/a	1,200	401	1,986
Net assets	1,522	1,299	−876	−1,111	n/a	160	1,332	1,920
Sales revenue	2,312	2,325	5,750	5,464	n/a	4,036	3	958
Profit for the period	223	245	329	−60	n/a	729	−734	−984
Overall result	223	245	240	−102	n/a	729	−734	−984
Result attributable to minority interests	13	9	129	0	n/a	115	−280	−239
Cash flow from operating activities	705	724	27	605	n/a	179	−981	−1,334
Cash flow from investing activities	89	272	−24	−121	n/a	−163	−526	−22
Cash flow from financing activities	−138	−1,098	−178	−278	n/a	2,684	0	0
Net change in cash and cash equivalents	655	−102	−174	206	n/a	2,700	−1,507	−1,356

Shares in associated companies

The Group's associates as of December 31, 2024, are listed below:

Name	Seat	**Capital share in % 12/31/2024**	Capital share in % 12/31/2023
Rodinná banka perinatálnych a mezenchymálnych buniek s.r.o.	Bratislava, Slovakia	26	26
Národni centrum pupecnikové krve s.r.o.	Ostrava, Czech Republic	26	26

The associated companies are immaterial to the Group, both individually and in total. The results, assets and liabilities of the associated companies are included in the consolidated financial statements using the equity method.

Non-consolidated subsidiaries, associated companies and other investments

The following shares in non-consolidated subsidiaries and other investments were also held as of the balance sheet date:

Name	Seat	**Capital share in % 12/31/2024**	Capital share in % 12/31/2023	Equity in EUR thousand	Annual result in EUR thousand
Non-consolidated subsidiaries:					
Vita 34 Slovakia s.r.o. [1,3]	Bratislava, Slovakia	100	100	0	4
Non-consolidated associated companies					
Kamieniniu lasteliu bankas UAB "Imunolita" [1,2]	Vilnius, Lithuania	35	35	-262	92
Non-consolidated investments					
NextCellPharma [4]	Huddinge, Sweden	1	1	5,963	-3,702
Dystrogen Therapeutics	Chicago, USA	8	8	Data unavailable	Data unavailable

[1] Waiver of inclusion in the consolidated financial statements due to immateriality
[2] Equity and annual result according to the annual financial statements as of December 31, 2018
[3] Closing balance sheet values as of October 25, 2024
[4] Annual Report 2023/2024 as of October 2024

5. SEGMENT REPORTING

5.1 THE BASICS OF SEGMENTATION

Business segments are reported on in a way that is consistent with the internal reporting to the Group's chief operating decision maker. The Group's net assets, financial position and results of operations are assessed at least as part of a monthly report to the Management Board and used as a starting point for strategic decisions.

Since the merger with PBKM on November 9, 2021, the Group has had two strategic divisions, which represent the Group's reportable segments. Both segments are active in the area of stem cell banking but differ in terms of their organizational and operational structure with separate financial information. The products and services of the two segments correspond to the service portfolios of the two subgroups PBKM and Vita 34. In both segments the focus is on the collection, preparation and cryopreservation of stem cells from umbilical cord blood and tissue. The service portfolio of the subgroup PBKM segment also offers additional services in biobanking, such as the freezing of sperm, the storage of adipose tissue or the isolation of cells from the stored material for better access to medical therapies in the future.

The segmentation reflects the reporting structure implemented in the Group as a whole. Based on this internal reporting system, the Management Board, which is responsible for the success of the various segments and the allocation of resources as the main decision-maker, assesses business activities from various perspectives.

The accounting principles for segment reporting correspond to the principles applied to the consolidated financial statements and are to be understood in the same way as IFRS, as applicable in the EU. Therefore, no reconciliation is required due to differences between internal measurement and measurement in accordance with IFRS.

5.2 RESULTS OF THE SEGMENTS

The earnings position of the segments for the fiscal year 2024 is as follows:

EUR thousand	Subgroup Vita 34	Subgroup PBKM	**Total**	Consolidation	Group
Segment sales revenue	18,725	64,613	**83,339**	−1,156	82,184
Cost of sales	−16,886	−45,597	**−62,483**	953	−61,530
Marketing and selling expenses	−6,676	−4,780	**−11,456**	208	−11,248
Administrative expenses	−7,445	−13,448	**−20,893**	372	−20,521
Depreciation, amortization and impairment	−10,348	−7,726	**−18,074**	0	−18,074
EBITDA	−2,975	10,393	**7,418**	1,398	8,815
Earnings before taxes	−13,232	1,665	**−11,567**	1,317	−10,250

The earnings position of the segments for the fiscal year 2023 is as follows:

EUR thousand	Subgroup Vita 34	Subgroup PBKM	**Total**	Consolidation	Group
Segment sales revenue	18,295	58,805	**77,100**	−38	77,062
Cost of sales	−9,507	−40,341	**−49,848**	1,030	−48.818
Marketing and selling expenses	−5,843	−4,850	**−10,694**	119	−10,575
Administrative expenses	−8,390	−12,250	**−20,640**	286	−20,353
Depreciation, amortization and impairment	−2,970	−5,720	**−8,690**	0	−8,690
EBITDA	−1,954	7,491	**5,537**	32	5,569
Earnings before taxes	−5,004	138	**−4,866**	524	−4,342

In the reporting period, the Group recognized impairment losses in accordance with IAS 36.129. In the Vita 34 segment, these included an impairment of prepayments for intangible assets (EUR 699 thousand), as the related projects are no longer expected to be economically viable, as well as a goodwill impairment at the level of the parent company due to updated cash flow projections reflecting lower than expected business results (EUR 6,613 thousand). In the subgroup PBKM segment, a goodwill impairment was recognized in a subsidiary following lower than expected performance and reduced growth prospects (EUR 2,100 thousand).

The differences between the totals from the two sub-segments and the figures for the Group as a whole are due entirely to the consolidation of income and expenses and the consolidation of capital.

EBITDA for the Group as a whole can be reconciled to earnings before taxes as follows:

EUR thousand	**2024**	2023
EBITDA	8,815	5,569
Depreciation and amortization	-9,375	-8,562
Impairment losses	-8,698	-128
Other interest and similar income	523	756
Income from other securities and loans classified as financial assets	189	264
Interest and similar expenses	-1,847	-2,382
Share in the result of associated companies	143	140
Earnings before taxes	**-10,250**	**-4,342**

The EBITDA of a segment is used to assess its earnings power, as the Management Board believes that this is the most relevant information when assessing the results of certain segments in relation to other companies operating in these areas.

Differences between the sum of the two segments and the values reported in the Group in the area of other interest and income result from the capital consolidation of both segments in the Group as a whole.

5.3 INFORMATION ON GEOGRAPHICAL AREAS

The Group generates sales of EUR 24,179 thousand (previous year: EUR 23,190 thousand) in Poland, EUR 15,115 thousand (previous year: EUR 14,637 thousand) in Germany and EUR 8,823 thousand (previous year: EUR 6,638 thousand) in Switzerland. The remaining sales of EUR 42,824 thousand (previous year: EUR 39,235 thousand) are generated in other countries, each with a share of less than 10% of total sales. Sales are generally allocated based on the customer's country of residence.

There are several reasons of growth of revenues in Switzerland, particularly growth of the local market as well as growth of number of clients choosing storage of their biological material in safe location of Switzerland.

The Group's non-current assets break down as follows:

EUR thousand	**2024**	2023 restated
Domestic	21,581	28,521
Poland	33,854	28,948
Switzerland	9,140	4,870
Portugal	8,541	13,524
Other foreign countries	26,187	24,580
Group	**99,303**	**100,443**

Non-current assets are allocated according to the location of the individual Group company. The previous year has been restated due to corrected currency translation (for details, see note 7.1.1).

6. NOTES TO THE INCOME STATEMENT

6.1 SALES REVENUE

The sales revenue reported in the income statement for continuing operations is broken down as follows according to the type of service provided:

EUR thousand	**2024**	2023
Revenue processing/manufacturing	54,189	51,489
Revenue from storage	23,520	21,534
Other sales	4,475	4,039
	82,184	**77,062**

Other sales mainly comprise sales from project business and medical services that are not related to the processing and storage of cell deposits. A breakdown of sales by country is provided in section 5.3.

6.2 COST OF SALES

The cost of sales reported in the income statement includes the following expenses:

EUR thousand	**2024**	2023
Personnel expenses	19,499	17,478
External services	13,770	13,288
Impairment losses	8,698	128
Cost of materials	8,484	7,670
Depreciation and amortization	7,737	6,920
Other expenses	3,341	3,335
	61,530	**48,818**

The impairment losses recognized in the reporting period include impairments of goodwill allocated to FamiCord AG and Stemlab Group. Further details on the impairment tests performed and the underlying assumptions are provided in Note 7.1.1.

Other expenses mainly include office space and repair costs.

6.3 OTHER INCOME

The other income reported in the income statement is made up as follows:

EUR thousand	**2024**	2023
CAR-T license settlement	1,395	0
Government grants	673	200
Miscellaneous other income	1,877	1,457
	3,945	**1,657**

The amount of EUR 1,395 thousand arose as a result of the conclusion of the “Termination Agreement” between PBKM, FamiCordTx and the US licensor and the settlement of obligations under previous agreement between the companies.

Government grants mainly relate to subsidies for research and development. The grants are settled over time to finance ongoing research work and are paid out in accordance with the relevant contracts. There are no unfulfilled conditions or other uncertainties in connection with the government grants.

Miscellaneous other income mainly includes currency differences and continued salary payments by health insurance funds.

6.4 MARKETING AND SELLING EXPENSES

The marketing and selling expenses reported in the income statement are made up as follows:

EUR thousand	**2024**	2023
Expenses for marketing measures	6,536	6,611
Personnel expenses	2,487	1,950
Depreciation and amortization	241	240
Other expenses	1,984	1,774
	11,248	**10,575**

Other expenses mainly include sales-related office space costs of EUR 90 thousand (previous year: EUR 99 thousand) and insurance and consulting costs of EUR 167 thousand (previous year: EUR 163 thousand).

6.5 ADMINISTRATIVE EXPENSES

The administrative expenses reported in the income statement comprise the following components:

EUR thousand	**2024**	2023
Personnel expenses	10,336	9,508
Research and development expenses	3,990	4,311
Depreciation and amortization	1,397	1,401
Legal, consulting and auditing costs	1,361	2,590
Investor Relations	471	567
Other expenses	2,966	1,976
	20,521	**20,353**

Other expenses include costs for insurance amounting to EUR 214 thousand (previous year: EUR 216 thousand), costs of the Supervisory Board amounting to EUR 182 thousand (previous year: EUR 184 thousand), incidental costs of monetary transactions amounting to EUR 54 thousand (previous year: EUR 77 thousand) and the remaining EUR 2,518 thousand (previous year: EUR 1,499 thousand) result from a variety of different administrative costs.

6.6 OTHER EXPENSES

Other expenses were incurred in the amount of EUR 916 thousand (previous year: EUR 965 thousand). These include losses from the disposal of fixed assets in the amount of EUR 239 thousand (previous year: EUR 97 thousand).

6.7 NET IMPAIRMENT LOSSES ON FINANCIAL AND CONTRACT ASSETS

The net impairment losses on financial and contract assets primarily comprises expected credit losses (ECL) recognised under IFRS 9 on the following categories:

- EUR 1,003 thousand net expenses relate to trade receivables, reflecting the estimated irrecoverable amounts from customers (previous year: EUR 486 thousand net expenses).
- EUR 41 thousand net income pertains to contract assets, representing expected credit losses on unbilled amounts arising from contracts with customers under IFRS 15 (previous year: EUR 476 thousand net expenses).

The remaining balance of EUR 210 thousand net expenses (previous year: EUR 166 thousand net expenses) includes actual write-offs of uncollectible trade receivables during the period, where recovery was deemed unlikely and the outstanding amounts were fully derecognized.

The impairment losses are based on forward-looking ECL models, considering historical default rates, macroeconomic factors, and specific customer risks. Reversals of previously recognized impairments are netted against total losses.

6.8 FINANCIAL INCOME

The financial income reported in the income statement comprises the following components:

EUR thousand	**2024**	2023
Income from currency translation differences	316	296
Interest income	206	460
Income from loans	189	264
	711	**1,020**

Interest income includes income from the compounding of long-term receivables in the amount of EUR 15 thousand (previous year: EUR 12 thousand).

6.9 FINANCIAL EXPENSES

The financial expenses reported in the income statement are made up as follows:

EUR thousand	**2024**	2023
Interest expense for leases	483	485
Interest expense for loans and overdrafts	482	587
Expenses from currency translation differences	311	558
Expense from discounting	166	98
Other financial expenses	406	654
	1,847	**2,382**

6.10 INCOME TAX EXPENSE/INCOME

The main components of income tax expense for the fiscal years 2024 and 2023 are as follows:

EUR thousand	**2024**	2023
Consolidated income statement		
Actual income taxes		
Actual income tax expense for the fiscal year	324	279
Income taxes incurred in previous years	0	–952
Deferred income taxes		
Deferred taxes on the origination and reversal of temporary differences	634	828
Deferred taxes on tax losses carried forward	1,091	–2,465
Income tax	**2,049**	**–2,310**
Consolidated statement of comprehensive income		
Tax expense from the remeasurement of actuarial gains and losses	0	0
Income taxes recognized in other comprehensive income	**0**	**0**

In recent years, the Group has concluded various agreements within the Group. In doing so, the Group strives to ensure an appropriate tax burden for the Group companies. Due to inconsistent case law in some cases, the agreements concluded nevertheless result in risks that could lead to additional tax burdens in the context of tax audits. The Group came to the conclusion that payments for such risks are not probable and did not recognize an uncertain tax liability.

The reconciliation between the income tax expense and the product of the result for the period and the Group's applicable tax rate for the fiscal years 2024 and 2023 is made up as follows:

EUR thousand	**2024**	2023
Earnings before income taxes	**–10,250**	**–4,342**
Income tax income (+) at the Group's tax rate of 20.3% (2023: 23.0%)	2,080	1,000
Non-taxable income	158	234
Non-deductible expenses	–2,507	–753
Expiry of tax loss carryforwards	–809	589
Unrecognized deferred tax assets on loss carryforwards	–1,055	–1,140
Income taxes for previous years	33	1,047
Differences in tax rates	51	1,333
Income tax income / expense	**–2,049**	**2,310**

Income taxes include corporate income tax and trade tax for domestic companies as well as comparable income taxes for foreign companies. The income tax rate stated for the Group is the weighted average tax rate based on the earnings before income taxes generated in the various countries. The income taxes for previous years result in particular from completed tax audits and tax assessments for previous years.

The average tax rate in the subgroup PBKM tends to be lower than the tax rate in the subgroup Vita 34. As the absolute earnings before taxes of the subgroup PBKM rose in comparison to the previous year, the weighting results in a decrease in the average tax rate in the Group to 20.3% (previous year: 23.0%).

Deferred income taxes break down as follows as of the reporting date:

	Consolidated balance sheet				Consolidated income statement	
EUR thousand	**12/31/2024**		12/31/2023		**2024**	2023
	DTA	DTL	DTA	DTL		
Deferred taxes on temporary differences						
Intangible assets	4	–3,099	3	–3,497	415	498
Property, plant and equipment	0	–1,100	0	–1,065	–26	15
Rights of use	0	–1,418	0	–1,311	–90	60
Trade receivables	737	–74	914	–43	–221	38
Other non-current assets	0	–427	0	–247	–178	–19
Contract assets	0	–5,672	0	–4,556	–1,028	–1,127
Current assets	298	–1	308	0	–11	–21
Interest-bearing loans	0	–163	77	–65	–174	86
Contract liabilities	10,458	–1,123	9,702	–1,218	690	190
Leasing liabilities	1,549	0	1,463	0	67	–235
Other debts	431	–29	452	–32	–79	–313
Offsetting line	–7,506	7,506	–8,240	8,240		
	5,971	**–5,601**	**4,679**	**–3,794**	**–634**	**–828**
Tax loss carryforwards	**4,684**		**5,724**		**–1,091**	**2,465**
Deferred tax assets	**10,655**		**10,403**			
Deferred tax liabilities	**–5,601**		**–3,794**			
Deferred income tax expense/income					**–1,725**	**1,637**

The loss carryforwards of the Group companies developed as follows:

Name	Seat	Income tax rate	**12/31/2024 EUR thousand**	12/31/2023 EUR thousand
FamiCord AG	Germany	32%	10,582	5,899
Polski Bank Komorek Macierzystych Sp. z o.o.	Poland	19%	7,116	9,003
eticur GmbH	Germany	30%	5,892	5,892
Celvitae Biomédica, S.L.	Spain	25%	5,176	5,176
Sevibe Cells S.L.	Spain	25%	4,552	4,917
FamiCordTX S.A.	Poland	19%	2,980	2,308
SmartCells International	Great Britain	19%	2,689	125
Secuvita S.L.	Spain	25%	1,827	2,499
FamiCord Suisse S.A.	Switzerland	17%–22%	1,304	2,073
FamiCord-Acibadem Kordon kanı sağlık hizmetleri	Turkey	20%	701	862
Sorgente S.R.L.	Italy	24%	647	647
NGI	Portugal	21%	393	121
Yaşam Bankasi Sağlik Hizmetleri Iç ve Diş Ticaret anonim şirketiv	Turkey	20%	344	508
FamiCordon S.A.	Spain	25%	242	283
Vita 34 ApS	Denmark	22%	237	753
Center Marcel-la Mas, S.L.	Spain	25%	111	111
Cryoprofil Sp. z oo.	Poland	19%	61	n/a
FamiCord Italia S.R.L.	Poland	19%	n/a	1,746
Biogenis S.R.L.	Poland	19%	n/a	206
Instytut Terapii Komórkowych	Poland	19%	n/a	204
Cilmes Šūnu Banka, SIA	Latvia	15%	n/a	4
Total			**44,854**	**43,338**

As of December 31, 2024, deferred tax assets exceeding deferred tax liabilities of EUR 5,055 thousand (2023: EUR 6,610 thousand) were recognized by Group entities, including the ones that suffered a taxable loss in either the reporting or prior year (2024: EUR 2,220 thousand; 2023: EUR 4,030 thousand). This concerned mainly PBKM and FamiCord Suisse S.A. that both achieved a taxable income in 2024 due to improved business performance resulting from an increased number of client contracts and implementation of costs reducing measures. The Group has concluded that the deferred tax assets will be recoverable using the estimated future profits based on the business plans of the entities.

Deferred taxes on tax loss carryforwards of Group companies were capitalized if it can be assumed from the planning that the loss carryforwards will be utilized. No deferred tax assets were recognized for tax loss carryforwards amounting to EUR 26,911 thousand (previous year: EUR 22,384 thousand). Deferred taxes are presented in the balance sheet as entirely non-current. Non-current part in accordance with IAS 1.61 amounts to EUR 6,428 thousand of deferred tax asset balance and EUR 8,857 thousand of deferred tax liability. Current income taxes are entirely current.

Some subsidiaries that only perform a holding function have tax loss carryforwards that are available to the Group for offsetting against future taxable profits of the respective companies. However, no deferred tax assets were recognized for these losses, as these losses may not be used to offset the taxable income of other Group companies and to the extent that they arose at an intermediate holding company, which generally does not generate positive taxable income. These losses can only be used under certain conditions, the fulfillment of which is currently not considered likely.

Loss carryforwards for corporate income tax purposes Expiry within:	**12/31/2024 EUR thousand**	12/31/2023 EUR thousand
1 year	1,811	606
2 years	3,148	2,285
3 years	3,867	4,914
4 years	3,515	3,955
5 years	772	3,834
After 5 years	0	222
Unlimited carryforward period	31,742	27,522
Total	**44,855**	**43,338**

Loss carryforwards for corporate income tax purposes for which no deferred taxes were recorded Expiry within:	**12/31/2024 EUR thousand**	12/31/2023 EUR thousand
1 year	575	606
2 years	1,307	583
3 years	1,528	1,413
4 years	1,855	1,732
5 years	772	2,256
After 5 years	0	222
Unlimited carryforward period	20,874	15,572
Total	**26,911**	**22,384**

6.11 PERSONNEL EXPENSES

The expenses for employee benefits break down as follows:

EUR thousand	**2024**	2023
Wages and salaries	26,761	23,995
Social security contributions	5,346	4,774
Expenses for retirement provision	216	167
	32,323	**28,936**

Employer contributions to statutory pension insurance are classified as benefits to a defined contribution plan and are therefore recognized in full as an expense.

The annual average number of employees in the Group is broken down as follows:

Quantity	**2024**	2023
Management Board	3	3
Employees	773	758
	776	**761**

7. NOTES TO THE BALANCE SHEET

7.1 ASSETS

7.1.1 Goodwill

Goodwill is allocated to the individual subsidiaries or groups of companies as follows:

EUR thousand	**12/31/2024**	12/31/2023 restated
FamiCord AG	11,118	17,731
Stemlab Group (Stemlab S.A., Bebécord, Bebé4d)	7,255	9,357
Smart Cells Holdings Ltd.	4,559	4,350
FamiCord Suisse S.A.	2,228	2,250
Sevibe Group (Sevibe Cells S.L., FamiCordon)	1,556	1,560
eticur GmbH	1,378	1,378
Secuvita S.L	592	592
FamiCord-Acibadem Kordon kanı sağlık hizmetleri.	553	626
DIAGNOSTICA Bank Komórek Macierzystych Sp. z o.o.	567	557
Longa Vita	443	435
Yaşam Bankasi Sağlik Hizmetleri Iç ve Diş Ticaret anonim şirketiv	304	238
Krio Intezet Zrt	111	120
	30,664	**39,194**

The development is as follows:

EUR thousand	**2024**	2023 restated
Acquisition costs as of 1/1	56,389	56,600
Adjustments in accordance with IAS 29	93	90
Currency differences	83	–301
Acquisition costs as of 12/31	**56,565**	**56,389**
Accumulated impairment losses as of 1/1	17,195	17,109
Impairment losses in the fiscal year	8,713	128
Currency differences	–7	–42
Accumulated impairment losses as of 12/31	**25,901**	**17,195**
Carrying amount as of 1/1	39,194	39,491
Carrying amount as of 12/31	**30,664**	**39,194**

The Group carried out its annual impairment test as of December 31, 2024, in the fourth quarter of the fiscal year 2024 and independently of this if significant events or changes in circumstances occur that indicate a need for impairment. To identify an indication of impairment, the Group considers the relationship between market capitalization and carrying amount in addition to other factors. The impairment tests for the fiscal year 2024 resulted in a recoverable amount below the reported carrying amount for two cash-generating units. In the reporting year 2023, the impairment test resulted in recoverable amounts below the carrying amounts for one other cash-generating unit.

In the previous year, the carrying amount of goodwill as of December 31, 2023, was understated by EUR 1,088 thousand due to an error in currency translation in 2023. This relates to the Stemlab (EUR 939 thousand) and Sevibe (EUR 149 thousand) Groups of companies. Accordingly, the difference from currency translation in other comprehensive income (OCI) in the consolidated statement of comprehensive income for 2023 and thus equity as of December 31, 2023, was understated by a total of EUR 1,088 thousand. Goodwill as of December 31, 2023, and other comprehensive income for 2023 were adjusted retrospectively. This had no impact on the fiscal year 2024.

The data 2023 has been restated due to shift of foreign exchange differences between acquisition costs and accumulated impairment losses. In consolidated financial statement as of December 31, 2024, balance of foreign exchange differences in comparative period has been properly allocated between acquisition costs and accumulated impairment losses.

The recoverable amounts of the respective cash-generating units are determined based on a value-in-use calculation using cash flow forecasts updated compared to the previous year, which are based on financial plans prepared by the respective company management for a period of five years. Sixth and seventh year of cash flow projections cover technical convergence phase which is a transition phase into steady phase. Cash flows after the seven-year period are extrapolated using a growth rate of 1% to 2%.

The basic assumptions based on which the company management has prepared its cash flow forecasts for goodwill impairment testing are explained below.

The cash flow estimates cover a detailed planning period of five years and additionally two years of convergence period before switching to perpetuity (present value equivalent terminal value). The detailed operational planning for 2024 approved by the Supervisory Board and the Management Board's five-year plan based on this, in which the management incorporates its medium-term expectations based on estimates of cost and price trends, serve as the basis.

Growth rate – Growth rates are determined by economic and other external factors and their impact on future development.

Discount rates – The discount rates were derived from the data of the companies included in the respective peer group, which reflect the subjective risk of this company. The starting point for deriving the capitalization interest rate is a risk-free interest rate, taking into account a country-specific market risk premium and a company-specific beta factor.

The discount rates used for the cash flow forecasts for the individual cash-generating units in the fiscal year are listed below:

in %	Discount rate before taxes 12/31/2024	Discount rate after taxes 12/31/2024
FamiCord AG	9.2%	8.0%
Yaşam Bankasi Sağlik Hizmetleri Iç ve Diş Ticaret anonim şirketiv	34.1%	25.6%
FamiCord-Acibadem Kordon kanı sağlık hizmetleri	34.2%	25.6%
Krio Intezet Zrt	12.8%	11.6%
Longa Vita	9.5%	7.6%
Sorgente S.R.L.	13.9%	10.7%
Secuvita S.L.	11.6%	9.6%
Stemlab Group (Stemlab S.A., Bebécord, Bebé4d)	11.4%	9.0%
Sevibe Group (Sevibe Cells S.L., FamiCordon S.A.)	9.6%	9.6%
Smart Cells Holdings Ltd.	11.5%	9.3%
FamiCord Suisse S.A.	7.7%	7.6%
eticur GmbH	10.1%	8.0%

The discount rates used in the previous year were as follows:

in %	Discount rate before taxes 12/31/2023	Discount rate after taxes 12/31/2023
FamiCord AG	9.5%	8.1%
Yaşam Bankasi Sağlik Hizmetleri Iç ve Diş Ticaret anonim şirketiv	67.7%	50.8%
FamiCord-Acibadem Kordon kanı sağlık hizmetleri	67.7%	50.8%
Krionet Kft	12.8%	11.6%
Longa Vita	12.1%	9.8%
Polski Bank Komorek Macierzystych Sp. z o.o.	12.1%	9.8%
Sorgente S.R.L.	12.7%	9.7%
Secuvita S.L.	9.9%	8.4%
Stemlab Group (Stemlab S.A., Bebécord, Bebé4d)	9.7%	7.7%
Sevibe Group (Sevibe Cells S.L., FamiCordon S.A.)	11.1%	8.4%
Smart Cells Holdings Ltd.	10.4%	7.9%
FamiCord Suisse S.A.	8.5%	7.8%
eticur GmbH	11.6%	8.1%

In the fiscal year 2024, the impairment test led to an impairment of goodwill in the amount of EUR 6,613 thousand for FamiCord AG (subgroup Vita 34 operating segment) and EUR 2,100 thousand for Stemlab Group (subgroup PBKM operating segment).

Impairment tests for those CGUs have been prepared based on the following parameters: EBIT margin in the fifth year of detailed forecast (2029) for FamiCord AG 2.3% and for Stemlab Group 6.9%; 2% growth rate in terminal period have been assumed for both CGUs.

In the comparative year 2023, the impairment test led to an impairment of goodwill in the amount of EUR 128 thousand for Sorgente S.R.L. The impairment losses were recognized in the cost of sales in each case (Note 6.2). In all cases, the recoverable amount was below the carrying amount in accordance with the value in use method. The Stemlab Group operates in Portugal and Sorgente carries it's business activities in Italy.

The recoverable amounts of the cash-generating units for which an impairment loss was recognized in the fiscal year or comparative year are as follows:

EUR thousand	**12/31/2024**	**12/31/2023**
FamiCord AG	4,542	n/a
Stemlab Group (Stemlab S.A., Bebécord, Bebé4d)	11,228	n/a
Sorgente S.R.L.	3,992	251

The impairment losses are primarily the result of sales below the budget in 2024 and revised mid-term planning according to the current expectations of business developments in those CGUs.

Sensitivity of the assumptions made

As part of a sensitivity analysis for the cash-generating units, a reduction in the planned gross profit margins of the perpetual annuity by one percentage point, an increase in the discount rates (after taxes) by one percentage point and a reduction in the perpetual growth rate by one percentage point were assumed.

For the sensitivity analysis, the management has defined the possible changes to these assumptions based on past experience that could lead to a possible impairment. The calculation was carried out in accordance with IAS 36 on the assumption that these changes would not result in any further parameter changes (ceteris paribus). The values assigned to the key assumptions represent the Management Board's assessment of future developments in the relevant sectors and are based on historical values from primarily internal sources.

Due to impairment losses already recognized, a change in the above parameters of more than one percentage point for Stemlab and FamiCord AG cash-generating units leads directly to an additional impairment requirement.

The sensitivity analysis carried out for the reporting year shows that changes in the parameters for the cash-generating units specified in the table would lead to the following additional impairments:

EUR thousand	**Impairment requirement in the event of a change in the respective parameter per cash-generating unit as of 12/31/2024 (sensitivity analysis)**	
Parameters	FamiCord AG	Stemlab Group
Additional impairment if the long-term WACC increases by 1%	−2,346	−2,188
Additional impairment if the 2029 EBIT margin is reduced by 1%	−5,481	−253
Additional impairment if the long-term growth rate is reduced by 1%	−3,138	−1,842

7.1.2 Other intangible assets

Other intangible assets developed as follows:

EUR thousand	Development costs	Patents and licenses	Acquired contracts	Customer relationships and brand names	Advance payments made	**Total**
Acquisition costs as of January 1, 2024	1,308	10,084	25,034	9,822	303	46,550
Additions	48	197	0	14	400	659
Disposals	0	–1,701	0	0	0	–1,701
Application of IAS 29	0	109	0	0	0	109
Currency differences	–445	20	21	116	0	–288
Acquisition costs as of December 31, 2024	**911**	**8,709**	**25,055**	**9,952**	**702**	**45,328**
Accumulated amortization and impairment losses as of January 1, 2024	1,076	7,627	15,599	4,962	0	29,264
Amortization and impairment losses for the fiscal year	3	619	1,463	555	699	3,340
Disposals	0	–826	0	0	0	–826
Application of IAS 29	0	131	0	0	0	131
Currency differences	–191	5	20	35	0	–130
Accumulated amortization and impairment losses as of December 31, 2024	**889**	**7,557**	**17,082**	**5,552**	**699**	**31,779**
Carrying amount as of January 1, 2024	231	2,457	9,435	4,860	303	17,286
Carrying amount as of December 31, 2024	**22**	**1,152**	**7,973**	**4,399**	**3**	**13,549**

An impairment loss of EUR 699 thousand was recognized on prepayments made for intangible assets as of the reporting date. The write-down was necessary due to a reassessment of the recoverability of the underlying assets.

Overview of intangible assets as of December 31, 2023:

EUR thousand	Development costs	Patents and licenses	Acquired contracts	Customer relationships and brand names	Advance payments made	**Total**
Acquisition costs as of January 1, 2023	1,101	9,471	24,944	9,340	3	44,859
Additions	179	556	0	0	300	1,035
Disposals	–12	–239	0	0	0	–251
Application of IAS 29	0	100	0	0	0	100
Currency differences	39	196	90	482	0	807
Acquisition costs as of December 31, 2023	**1,308**	**10,084**	**25,034**	**9,822**	**303**	**46,550**
Accumulated amortization and impairment losses as of January 1, 2023	1,046	6,807	14,053	4,307	0	26,212
Amortization for the fiscal year	2	871	1,467	544	0	2,884
Disposals	0	–230	0	0	0	–230
Application of IAS 29	0	87	0	0	0	87
Currency differences	29	93	79	111	0	311
Accumulated amortization and impairment losses as of December 31, 2023	**1,076**	**7,627**	**15,599**	**4,962**	**0**	**29,264**
Carrying amount as of January 1, 2023	55	2,664	10,891	5,034	3	18,647
Carrying amount as of December 31, 2023	**231**	**2,457**	**9,435**	**4,860**	**303**	**17,286**

The acquired contracts, customer relationships and brand names include the following material assets as of December 31, 2024:

EUR thousand	Book value	Remaining useful life
Acquired storage contracts Seracell	4,522	8 to 13 years
Acquired storage contracts Vita 34 ApS	2,347	8 years
Trademark rights Smart Cells Holding	1,305	7 years
Acquired storage contracts Secuvita	760	2 years
Customer relations Smart Cells Holding	1,308	22 years
Trademark rights Sorgente	494	6 years
Bebecord trademark rights	481	5 years
Customer relations Acibadem	491	20 years
Acquired storage contracts Vivocell	234	2 years
Trademark rights Bebe 4d	168	5 years
Trademark rights eticur GmbH	139	6 years
Acquired storage contracts Smart Cells Holding	100	17 years
Acquired storage contracts Stellacure	10	13 years
Total	**12,359**	

7.1.3 Property, plant and equipment

Property, plant and equipment developed as follows in the reporting year:

EUR thousand	Land, buildings, leasehold improve-ments	Technical installations	Operating equipment	**Total**
Acquisition costs as of January 1, 2024	9,761	27,935	10,124	47,820
Additions	109	1,477	479	2,065
Disposals	0	–532	–174	–706
Transfers	0	253*	0	253
Application of IAS 29	0	351	180	531
Currency differences	–38	327	87	376
Acquisition costs as of December 31, 2024	**9,831**	**29,811**	**10,696**	**50,339**
Accumulated depreciation and impairment losses as of January 1, 2024	3,499	12,755	6,277	22,531
Depreciation for the fiscal year	568	1,443	958	2,969
Disposals	0	–496	–163	–659
Application of IAS 29	0	260	217	477
Currency differences	38	129	45	211
Accumulated depreciation and impairment losses as of December 31, 2024	**4,105**	**14,091**	**7,334**	**25,529**
Carrying amount as of January 1, 2024	6,262	15,180	3,847	25,288
Carrying amount as of December 31, 2024	**5,726**	**15,720**	**3,362**	**24,808**

* Transfer of leased assets to company owned assets.
There was a transfer of EUR 102 thousand storage tanks and EUR 151 thousand vehicles.

Property, plant and equipment developed as follows in the previous year:

EUR thousand	Land, buildings, leasehold improve-ments	Technical installations	Operating equipment	**Total**
Acquisition costs as of January 1, 2023	9,456	25,577	9,258	44,291
Additions	688	2,221	500	3,409
Disposals	–706	–656	–229	–1,591
Application of IAS 29	0	392	223	615
Currency differences	322	402	372	1,096
Acquisition costs as of December 31, 2023	**9,761**	**27,935**	**10,124**	**47,820**
Accumulated depreciation and impairment losses as of January 1, 2023	3,008	11,491	5,359	19,858
Depreciation for the fiscal year	569	1,306	926	2,801
Disposals	–238	–205	–397	–839
Application of IAS 29	0	179	158	337
Currency differences	159	–15	231	375
Accumulated depreciation and impairment losses as of December 31, 2023	**3,499**	**12,755**	**6,277**	**22,532**
Carrying amount as of January 1, 2023	6,448	14,086	3,899	24,433
Carrying amount as of December 31, 2023	**6,262**	**15,180**	**3,847**	**25,288**

7.1.4 Rights of use

The right-of-use assets from leases developed as shown in the following table:

EUR thousand	Land and buildings	Operating equipment	**Total**
Acquisition costs as of January 1, 2024	18,220	3,851	22,071
Additions	777	798	1,575
Modification of leases	1,216	–425	791
Disposals	–921	–282	–1,203
Transfers	0	–253*	–253
Currency differences	126	–67	58
Acquisition costs as of December 31, 2024	**19,418**	**3,622**	**23,041**
Accumulated depreciation and impairment losses as of January 1, 2024	8,141	1,761	9,902
Depreciation for the fiscal year	2,409	657	3,066
Disposals	–850	–293	–1,144
Currency differences	46	–407	–360
Accumulated depreciation and impairment losses as of December 31, 2024	**9,746**	**1,719**	**11,465**
Carrying amount as of January 1, 2024	10,079	2,090	12,169
Carrying amount as of December 31, 2024	**9,672**	**1,904**	**11,576**

* Transfer of leased assets to company owned assets.
There was a transfer of EUR 102 thousand storage tanks and EUR 151 thousand vehicles.

The right-of-use assets from leases developed as follows in the previous year:

EUR thousand	Land and buildings	Operating equipment	**Total**
Acquisition costs as of January 1, 2023	16,020	3,568	19,588
Additions	2,233	955	3,187
Modification of leases	915	23	938
Disposals	–1,539	–599	–2,138
Currency differences	592	–97	495
Acquisition costs as of December 31, 2023	**18,221**	**3,851**	**22,071**
Accumulated depreciation and impairment losses as of January 1, 2023	6,448	1,747	8,195
Depreciation for the fiscal year	2,274	603	2,877
Disposals	–811	–565	–1,376
Currency differences	230	–24	207
Accumulated depreciation and impairment losses as of December 31, 2023	**8,141**	**1,762**	**9,903**
Carrying amount as of January 1, 2023	9,573	1,821	11,394
Carrying amount as of December 31, 2023	**10,080**	**2,089**	**12,169**

Leases resulted in the following effects on earnings for the period:

EUR thousand	2024	2023 restated
Depreciation of leases	3,066	2,877
Expenses from short-term leases	808	792
Expenses from low-value leases	828	808
Interest expense for leases	483	485
Expenses from leases	**5,185**	**4,962**

Total payments for leases in the fiscal year amounted to EUR 4,878 thousand (previous year: EUR 4,589 thousand).

The Group has concluded various lease agreements that include an extension option. The management assesses whether this extension option can be exercised with sufficient certainty.

Some of the Group's lease agreements include options to extend the lease term by up to 2 years. These options were included in the measurement of the lease liability where their exercise was judged to be economically probable (e.g., due to long-term usage intentions or significant switching costs). The weighted average lease term, including probable extensions, is approximately 3 years.

Options whose exercise is not considered probable (e.g., due to contractual penalties or unfavorable terms) were excluded from the lease term. The undiscounted future lease payments for these excluded optional periods amount to EUR 494 thousand.

During the reporting period, existing lease agreements were modified, resulting in an adjustment to the right-of-use assets and corresponding lease liabilities in the amount of EUR 915 thousand. The modifications primarily relate to extensions of lease terms and adjustments to lease conditions under existing contracts. These changes were accounted for in accordance with IFRS 16 Leases, and did not result in a lease reclassification.

7.1.5 Inventories

Inventories are made up as follows:

EUR thousand	12/31/2024	12/31/2023
Raw materials and supplies	2,715	3,273
Work in progress	5	16
Finished products	212	116
	2,933	**3,405**

In 2024, impairment losses on inventories in the amount of EUR 311 thousand (previous year: EUR 10 thousand) were recognized under cost of sales.

7.1.6 Contract assets

The contract assets developed as follows:

EUR thousand	2024	2023 restated
Value as of January 1	13,012	5,598
Additions	12,184	11,383
Adjustments to receivables	–4,594	–3,341
Net Impairment	41	–476
Currency differences	357	–152
Status as of December 31	21,000	13,012

The contract assets are made up as follows:

EUR thousand	12/31/2024	12/31/2023
Non-current contract assets	17,275	8,984
Current contract assets	3,726	4,028
	21,000	**13,012**

Non-current contract assets include balances from annual payer contracts with terms ranging from two to ten years. The increase in non-current assets is due to the contract adjustments made in the previous fiscal year and the resulting accounting practice and due to a growing proportion of clients opting for subscription-based payment model. This shift toward subscriptions inherently increases the carrying amount of non-current contract assets.

7.1.7 Trade receivables

Trade receivables break down as follows:

EUR thousand	12/31/2024	12/31/2023
Non-current trade receivables	278	395
Current trade receivables	13,698	12,856
	13,976	**13,251**

Under prepayment contracts, the customer pays for the storage of the stem cell deposit in advance for a period of 25 to 50 years. However, it is assumed that the benefits of the prepayment option do not constitute a provision of financial resources but rather help the Group to ensure the profitability of its revenue-generating activities. Based on the above assessment, it is estimated that the exemption under IFRS 15.62 (c) applies to the contract type and that there is no significant financing component.

At the same time, trade receivables with a term of more than twelve months are reported separately under non-current assets and discounted using a standard market interest rate.

The value adjustments on trade receivables developed as follows:

EUR thousand	2024	2023 restated
Value adjustments as of January 1	4,015	3,715
Additions (expenses for impairment)	1,003	486
Utilization	–213	–108
Reversal	–116	–235
Currency differences	7	156
Other	135	1
Status as of December 31	**4,831**	**4,015**

In the fiscal year 2024, expenses for the complete derecognition of trade receivables in the amount of EUR 210 thousand (previous year: EUR 166 thousand) were recognized. All expenses from valuation allowances and derecognition of trade receivables are reported in the Profit and Loss line Net Impairment on financial and contract assets.

Trade receivables are written off if there is no reasonable expectation of recovery. Indicators that suggest that there is no reasonable prospect of recovery include the failure of a debtor to agree on a repayment plan with FamiCord.

The data 2023 has been restated due to an error in the classification of impairment losses between trade receivables and contract assets. The incorrect allocation had no impact on the total net impairment losses on financial and contract assets or the reported result.

7.1.8 Other financial assets

Other financial assets are made up as follows:

	12/31/2024		12/31/2023	
EUR thousand	**Total**	Thereof short-term	**Total**	Thereof short-term
Equity Investments	278	0	305	0
Loans to third parties	526	0	511	0
Restricted cash	77	0	250	0
Other	1,648	1,641	1,620	1,614
	2,529	**1,641**	**2,686**	**1,614**

In the other line, the Group has presented EUR 816 thousand receivables from Cryosave related to past loan settlement. There is a corresponding entry in the same amount in the other financial liabilities line (note 7.2.9). Both bookings represent possible mutual settlements reflecting legal status of the transaction.

7.1.9 Other non-financial assets

Other non-financial assets are made up as follows:

	12/31/2024		12/31/2023	
EUR thousand	**Total**	Thereof short-term	**Total**	Thereof short-term
Deferred expenses	2,601	1,094	2,641	1,139
Other assets	654	395	581	379
	3,255	**1,489**	**3,222**	**1,518**

The deferred expenses for the storage of cell deposits reported under non-financial assets correspond to the value of the services paid in advance for the storage of cell deposits and other biological materials over a period of between one and 30 years.

7.1.10 Cash and cash equivalents

Cash and cash equivalents break down as follows:

EUR thousand	**12/31/2024**	12/31/2023
Cash and cash equivalents	16,823	17,416
	16,823	**17,416**

7.2 EQUITY AND DEBT

7.2.1 Equity

The **subscribed capital** shows the capital stock of FamiCord AG in accordance with the articles of incorporation and bylaws, pursuant to German stock corporation law. Equity is divided into 17,640,104 (prior year: 17,640,104) no-par value registered common shares, to which a pro rata amount of EUR 1.00 per share is allocated.

The **capital reserve** includes payments made in excess of the share capital and other payments by shareholders as part of capital measures as well as reserves from expired, unutilized share option plans.

The accumulated **losses carried forward** include the cumulated results and the current result for the period.

The Management Board and Supervisory Board of FamiCord AG propose that the result for the period in the annual financial statements of FamiCord AG as of December 31, 2024, shall be carried forward to new account.

Actuarial gains and losses from defined benefit pension plans, gains and losses from financial assets measured at fair value through other comprehensive income and gains and losses from foreign currency translation are reported under **other reserves**.

As in the previous year, the Group held 208,342 **treasury shares** as of the balance sheet date.

Authorized capital

In accordance with Sec. 7 (2) of the Articles of Association of FamiCord AG, there is authorized capital. By resolution of the Annual General Meeting on June 28, 2024, the Management Board is authorized, with the approval of the Supervisory Board, to increase the Company's share capital once or several times by up to a total of EUR 8,820,052 by issuing up to 8,820,052 new no-par value ordinary registered shares against cash or non-cash contributions in the period up to June 27, 2029.

By resolution of the Annual General Meeting on June 29, 2022, the Management Board is authorized, with the approval of the Supervisory Board, to increase the Company's share capital once or several times by up to a total of EUR 8,018,229 by issuing up to 8,018,229 new no-par value ordinary registered shares against cash or non-cash contributions in the period up to June 28, 2027.

The Management Board made partial use of the authorization to increase the share capital by resolution of the Management Board and Supervisory Board on November 27, 2023, by issuing 1,603,645 no-par value registered shares.

The placement price was EUR 4.40 per new share. With the capital increase, the share capital was increased by EUR 1,603,645.00 to EUR 17,638,632.00 and the capital reserve was increased by EUR 5,452,393.00. The capital increase against cash contributions was carried out on December 19, 2023, with EUR 58,877.00 in transaction costs recognized as a deduction from equity.

Accordingly, the Management Board is still authorized by resolution of the Annual General Meeting on June 29, 2022 to increase the company's share capital by up to EUR 6,414,584 by issuing up to 6,414,584 new no-par value ordinary registered shares against cash or non-cash contributions on one or more occasions until June 28, 2027 with the approval of the Supervisory Board.

Conditional capital

The Annual General Meeting held on June 28, 2024, resolved to conditionally increase the share capital by up to EUR 8,820,052.00 through the issuance of up to 8,820,052 registered no-par-value shares (Conditional Capital 2024/I). This serves to grant shares to the holders or creditors of convertible and/or option bonds issued pursuant to the authorization granted by the Annual General Meeting. Conditional Capital 2024/I became effective upon registration of the corresponding amendment to the Articles of Association (Section 7 (3)) in the commercial register of the competent Local Court of Leipzig as of August 29, 2024. The authorization for Conditional Capital 2024 remains valid until June 27, 2029, unless fully utilized or revoked earlier by a shareholders' resolution.

Previously, the Annual General Meeting held on December 15, 2021, had resolved to conditionally increase the share capital by up to EUR 5,600,000.00 through the issuance of up to 5,600,000 registered no-par-value shares (Conditional Capital 2021). The authorization for Conditional Capital 2021 remains valid until December 14, 2026, unless fully utilized or revoked earlier by a shareholders' resolution.

7.2.2 Interest-bearing loans

The interest-bearing loans are as follows:

	12/31/2024		12/31/2023	
EUR thousand	**Total**	Thereof short-term	**Total**	Thereof short-term
Liabilities to banks	5,720	1,970	8,467	5,079
	5,720	**1,970**	**8,467**	**5,079**

The loan liabilities are made up as follows:

EUR thousand	Interest rate in %	Maturity	**12/31/2024**	12/31/2023
Credit line FamiCord	6.25	2025	0	3,500
Fixed-rate loan FamiCord	6.25	2027	4,321	3,049
Stemlab, SA loan	4.96	2028	393	507
Stemlab, SA loan	4.86	2026	250	417
Stemlab, SA loan	4.86	2026	250	417
Stemlab, SA loan	5.76	2025	223	0
Famicord Suisse loan	1.50	2027	140	188
Sorgente loan	EURIBOR + 1.75	2027	93	126
Sorgente loan	0	2024	0	116
Stemlab, SA loan	6.02	2026	55	98
Sorgente loan	2.6	2026	47	80
Sorgente loan	2.1	2026	45	69
Stemlab, SA loan	0	2026	28	40
SmartCells International loan	2.5	2027	18	30
Stemlab, SA loan	0	2025	5	3
Sorgente loan	2.5	2024	0	25
Sorgente loan	2.75	2024	0	20
CMM loan	1.5	2025	5	20
Secuvita loan	0	2024	0	5
			5,873	**8,707**

The difference of EUR 153 thousand between this list of loan liabilities and the reported value of EUR 5,720 thousand results from adjustments using the effective interest method.

The fixed-rate loan of FamiCord AG in the amount of EUR 4,321 thousand (maximum amount: EUR 7,142 thousand) and the overdraft facility in the amount of EUR 0 thousand (credit line of EUR 10,000 thousand) are collateralized as follows:

There is a blanket assignment of the borrower's receivables from deliveries of goods and services against the third-party debtors (EUR 1,318 thousand) beginning with the letters A-Z as well as assignment by way of security of the borrower's fixed assets at the Leipzig site, Perlickstraße 5, together with assignment of the claims from the existing and future damage insurance policies for the collateral.

In addition, there is a security transfer of ownership of the fixed assets of the company at the Leipzig location (EUR 6,831 thousand) and the fixed assets of Seracell Pharma GmbH at the Rostock location (EUR 1,558 thousand).

In addition, the following collateral is provided by other group entities:

There is an unlimited guarantee totaling EUR 18,000 thousand from Polski Bank Komórek Macierzystych Sp. z o. o., Warsaw, as well as a collateral assignment of the fixed assets of Seracell Pharma GmbH at the Rostock site, together with the assignment of claims from existing and future damage insurance policies for the collateral.

Under the agreement, the Group must comply with certain financial covenants.

As of December 31, 2024, the group holds liabilities amounting to EUR 4.3 million, which are subject to specific covenants under a loan agreement.

According to the contractual terms, the group is required to comply with a specific financial ratio (a maximum net leverage ratio of 3.0) at all times. If this condition is not met, the lender could demand immediate repayment of the loan or adjust the loan terms.

As of the reporting date, there were no breaches of the agreed covenants.

7.2.3 Other provisions

Other provisions developed as follows:

EUR thousand	**2024**	2023
As of January 1 of the fiscal year	405	325
Additions	101	108
Usage	65	5
Release	12	20
Currency differences	0	–3
As of December 31 of the fiscal year	**429**	**405**

The provisions mainly include provisions for therapy cost subsidies in the event that a drug is used, insofar as these subsidies are contractually agreed.

7.2.4 Pension provisions

In 2014, the pension commitment with a former member of the Management Board was revised. Accordingly, the pension commitment valid until then was limited to the entitlements earned up to July 31, 2014. This is a defined benefit pension plan (funded), for which contributions were made to a separately managed pension fund. The amounts included in the financial statements have developed as follows:

EUR thousand	**12/31/2024**	12/31/2023
Present value of the defined benefit obligation	311	308
Fair value of the plan assets	–419	–412
Effects from the recognition cap	108	104
Liability from the defined benefit obligation	**0**	**0**

In accordance with IAS 19.113, the present value of the defined benefit obligation and the fair value of the plan assets are netted. The plan assets include a long-term fund for the fulfillment of employee benefits that precisely covers all promised benefits in terms of their amount and due date. The recognition of plan assets is therefore limited to the present value of the obligations covered.

Development of the present value of the defined benefit obligation:

EUR thousand	**2024**	2023
Present value of the defined benefit obligation as of January 1	308	273
Interest expense	11	10
Revaluations		
Actuarial gains/losses due to changes in financial assumptions	8	25
Present value of the defined benefit obligation as of December 31	**311**	**308**

Development of the fair value of plan assets:

EUR thousand	**2024**	2023
Fair value of plan assets as of January 1	412	405
Employer contribution	0	0
Interest income	14	16
Revaluations		
Income from plan assets excluding amounts included in net interest expenses and income	–7	–9
Fair value of plan assets as of December 31	**419**	**412**

The pension obligations as of December 31, 2024, were measured using the Heubeck RICHTTAFELN 2018 G biometric calculation basis in accordance with the projected unit credit method.

The calculation was based on the following assumptions:

in %	**12/31/2024**	12/31/2023
Discount rate	3.6	3.4
Salary trend	0.0	0.0
Pension trend	1.9	1.9

Due to the reinsurance policy taken out, no effects on the obligation from the pension plan or cash outflows by the company are expected in subsequent years.

7.2.5 Deferred benefits

The investment grants and subsidies reported under grants developed as follows:

EUR thousand	**2024**	2023
As of January 1 of the fiscal year	848	978
Additions	0	57
Repayment	−23	0
Released to income	−59	−194
Currency differences	2	7
As of December 31 of the fiscal year	**768**	**848**
Short-term benefits	143	206
Long-term benefits	625	642
As of December 31 of the fiscal year	**768**	**848**

The grants are amortized on a straight-line basis over the useful life of the subsidized assets.

7.2.6 Repayment obligations

The repayment obligations are fully classified as current and have developed as follows:

EUR thousand	**12/31/2024**	12/31/2023
Repayment liabilities	27,015	25,354
	27,015	**25,354**

The repayment liabilities include customers' repayment claims to which they are entitled if they switch to another contract model or exercise a statutory right of termination before the end of the minimum contractual term.

7.2.7 Contract liabilities

EUR thousand	**12/31/2024**	12/31/2023
Obligation to fulfill concluded storage contracts – long-term	2,732	3,086
Obligation to fulfill concluded storage contracts – short-term	223	145
	2,955	**3,231**
Prepayment for storage – long-term	62,287	56,335
Prepayment for storage – short-term	9,789	7,063
	72,076	**63,398**
	75,031	**66,629**

The obligations to fulfill storage contracts are obligations assumed as part of business combinations for the storage of stem cell deposits over a contract-specific storage period. When they expire, the short-term obligations to fulfill concluded storage contracts will be recognized as income in the fiscal year 2025. The non-current portion of the obligations will be recognized in income from the fiscal year 2026.

The Group´s remaining performance obligations, which are contracted, but not prepaid by the client, amount to EUR 7,940 thousand as of the reporting date (previous year: EUR 3,633 thousand). This obligation recognizes as revenue from the remaining storage services to be provided, which will be fulfilled over the remaining contractual period ranging from one to nine years.

The item developed as follows in the reporting period:

EUR thousand	**2024**	2023
As of January 1 of the fiscal year	3,231	4,179
Prepayments from previous periods included in revenue from storage	–145	–943
Other	–131	–5
As of December 31 of the fiscal year	**2,954**	**3,231**

Prepayments for storage include storage fees received in advance from customers for periods of between one year (short-term) and 50 years (long-term), which are recognized as revenue on a straight-line basis over the storage period.

The item developed as follows in the reporting period:

EUR thousand	**2024**	2023
As of January 1 of the fiscal year	63,398	55,566
Prepayments from previous periods included in revenue from storage	–7,063	–12,910
Prepayments received and accrued in the fiscal year	15,622	20,741
As of December 31 of the fiscal year	**71,957**	**63,398**

7.2.8 Trade accounts payable

Trade payables amount to EUR 6,478 thousand (previous year: EUR 9,886 thousand), are non-interest-bearing and are normally due within 14 to 30 days.

7.2.9 Other financial liabilities

Other financial liabilities are made up as follows:

	12/31/2024		12/31/2023	
EUR thousand	**Total**	Thereof short-term	**Total**	Thereof short-term
Put options on non-controlling interests	–	–	1,381	–
CryoSave liability	816	816	816	816
Other	808	808	585	585
	1,624	**1,624**	**2,782**	**1,401**

As of December 31, 2023, other financial liabilities primarily included liabilities from put options that were granted to non-controlling shareholders of Group companies within the scope of business combinations. FamiCord can be obligated to purchase existing put options held by non-controlling shareholders as the writer. The amount expected to be paid is determined based on the respective contractual agreements for compensation of the non-controlling shareholders in the event of a put option, which represents an approximation of the pro rata enterprise value on the basis of company-specific variables and multipliers.

In 2024, the remaining non-controlling shares in SmartCells were acquired by PBKM so that as of December 31, 2024, the Group owned 100% of the shares in the company. Following revised agreement with non-controlling shareholders, the put option was canceled and the parties agreed on contingent consideration in addition to the purchase price for the acquisition of the remaining non-controlling shares amounting to EUR 269 thousand as of December 31, 2024. Therefore, as of December 31, 2024, there were no put options recognized in the consolidated balance sheet.

CryoSave liability is the value recognised in relation to the legal risk associated with the validity of the received repayment of the loan granted to CryoSave.

7.2.10 Other non-financial liabilities

Other non-financial liabilities break down as follows:

	12/31/2024		12/31/2023	
EUR thousand	**Total**	Thereof short-term	**Total**	Thereof short-term
Employee and Management Board benefits	2,849	2,849	2,397	2,397
Liabilities from taxes	1,177	1,177	1,094	1,094
Liabilities within the framework of social security	467	467	455	455
Other non-financial liabilities	148	148	149	149
	4,641	**4,641**	**4,095**	**4,095**

Other non-financial liabilities mainly include liabilities for employee and Management Board benefits (such as accrued bonuses and vacation pay), obligations from taxes and for social security contributions.

Other non-financial liabilities also include liabilities for the cash-settled share-based payment of EUR 13 thousand (previous year: EUR 25 thousand). For further information please refer to Note 9.2.

7.2.11 Additional disclosures on financial instruments

The carrying amounts of the financial assets and financial liabilities are shown in the following tables. The fair value of non-current interest-bearing loans is determined using a DCF model. The main input factors are the risk-free interest rates observable on the market and a credit spread specific to FamiCord and dependent on the term. The calculated fair value differs only insignificantly from the carrying amount of the loans. The fair value corresponds to level 3 of the fair value hierarchy. Otherwise, the fair value of the financial assets and other financial liabilities corresponds approximately to the carrying amount.

EUR thousand	**12/31/2024**	12/31/2023
Financial assets		
Financial assets at amortized cost		
Trade receivables	13,976	13,251
Other financial assets	2,182	2,261
Financial assets at fair value through profit or loss		
Other financial assets	121	148
Financial assets at fair value through other comprehensive income		
Other financial assets	157	157
Total financial assets	**16,436**	**15,816**
Financial liabilities		
Financial liabilities at amortized cost		
Interest-bearing loans	5,720	8,467
Trade payables	6,478	9,886
Other financial liabilities	1,624	1,401
	13,823	**19,754**
Financial liabilities measured at fair value through profit or loss		
Other financial liabilities	0	1,381
Total financial liabilities	**13,823**	**21,135**

Trade receivables, other financial receivables, trade payables and other financial liabilities generally have short residual terms; the values recognized in the balance sheet approximate the fair values.

The fair values of non-current trade receivables with remaining terms of more than one year correspond to the present values of the payments associated with the assets using a standard market interest rate. They are categorized in level 3 of the fair value hierarchy. Financial assets measured at fair value through profit or loss as well as those measured through other comprehensive income are categorized in level 2 of the fair value hierarchy. Fair value of loans granted to third parties presented within other financial assets in the balance sheet (Note 7.1.8) did not differ significantly from the carrying amount as of December 31, 2024. Other financial liabilities presented in the above table (put option liability as of December 31, 2023) were categorized in level 2 of the fair value hierarchy.

The net results of financial assets and financial liabilities by measurement category were as follows:

EUR thousand	Financial income	Financial expenses	Impairments	**Total**
2024				
Financial assets at amortized cost	203	0	–1,171	–968
Financial assets at fair value through profit or loss	1	–28	0	–27
Financial liabilities at amortized cost	0	–649	0	–649
	204	**–677**	**–1,171**	**–1,644**
2023				
Financial assets at amortized cost	127	0	–1,128	–1,001
Financial assets at fair value through profit or loss	0	–3	0	–3
Financial liabilities at amortized cost	0	–685	0	–685
	127	**–688**	**–1,128**	**–1,689**

8. NOTES TO THE CASH FLOW STATEMENT

In accordance with IAS 7 “Cash Flow Statements”, the consolidated cash flow statement shows the development of cash flows for the reporting year and the previous year, broken down into cash inflows and outflows from operating, investing and financing activities. Cash flows from operating activities are calculated using the indirect method.

As in the previous year, cash and cash equivalents include cash on hand and bank balances. It corresponds to the balance sheet item “Cash and cash equivalents”.

Changes in liabilities from financing activities
The following table shows the reconciliation of changes in liabilities from financing activities:

EUR thousand	Interest-bearing loans	Leasing liabilities	**Total**
Status on January 1, 2023	**15,503**	**12,688**	**28,191**
Changes affecting payments	–7,792	–2,989	–10,781
Non-cash changes (see below)	755	3,411	4,166
Other non-cash changes	8	89	97
Leasing	0	3,415	3,415
Currency conversion	747	–93	654
Status as of December 31, 2023	**8,466**	**13,110**	**21,576**
Changes affecting payments	–2,742	–3,243	–5,985
Non-cash changes (see below)	–3	2,509	2,506
Other non-cash changes	–1	1,024	1,023
Leasing	0	1,575	1,575
Currency conversion	–2	–90	–92
Status as of December 31, 2024	**5,721**	**12,376**	**18,097**

9. OTHER INFORMATION

9.1 TRANSACTIONS WITH RELATED COMPANIES AND PERSONS

9.1.1 General information

Subsidiaries, associated companies, key management personnel, as well as persons who exert a significant influence on the financial and business policies of FamiCord are classified as related parties of FamiCord. Furthermore, due to the control situation of Active Ownership Group Ltd., Cyprus, over FamiCord AG, all other companies directly or indirectly controlled by AOC Health GmbH, which are not included in the consolidated financial statements of FamiCord, are also considered related parties.

An overview of the group of companies above FamiCord AG is contained in section 4.

9.1.2 Transactions with members of the Management Board

Transactions with members of the Management Board in the fiscal year arose exclusively from remuneration payments. The following gentlemen were appointed to the Management Board in the fiscal year 2024:

Jakub Baran	Chief Executive Officer (CEO)
Tomasz Baran	Chief Commercial Officer (CCO) until March 21, 2025
Thomas Pfaadt	Chief Financial Officer (CFO) since August 1, 2024
Dirk Plaga	Chief Financial Officer (CFO) until December 31, 2023

The remuneration of the members of the Management Board is as follows:

	2024	2023
Short-term benefits (fixed remuneration, short-term variable remuneration components, other remuneration components)	927	756
Benefits after termination of the employment relationship	0	83
Severance payments for members of the Management Board who left during the reporting year	0	220
Share-based payment	8	0
	935	**1,059**

The amount and structure of Management Board remuneration are determined by the Supervisory Board in accordance with § 87 AktG. In principle, Management Board remuneration consists of (1) fixed basic remuneration, (2) optional performance-related variable remuneration and (3) fringe benefits.

The fixed component is the contractually agreed basic remuneration (EUR 529 thousand; previous year: EUR 675 thousand), which is paid out in twelve equal monthly amounts. The basic remuneration is paid in the amount of EUR 358 thousand (previous year: EUR 503 thousand) by FamiCord AG, EUR 161 thousand (previous year: EUR 162 thousand) by PBKM and EUR 10 thousand (previous year: EUR 10 thousand) by Sevibe.

Since September 1, 2022, the Management Board service contracts have implemented the new Relevant Remuneration System III, which was approved by the Supervisory Board on June 29, 2022. Relevant Remuneration System III has the same remuneration components as Relevant Remuneration System II, which was agreed in the contracts of Mr. Jakub Baran and Mr. Tomasz Baran on March 22, 2022 and in the contract of Mr. Thomas Pfaadt dated August 1, 2024. All benefits owed under this system were paid in the reporting year and are included in the benefits due in the short term listed above. There are no further claims.

Based on the Management Board service contracts that came into force on September 1, 2022, the members of the Management Board are entitled to short-term variable remuneration (short-term incentive ("STI") linked to specific performance indicators in addition to their fixed remuneration and fringe benefits. The specific performance indicators are (a) adjusted Group EBITDA (IFRS) before bonus, (b) adjusted Group sales (IFRS) and (c) an individual target, which in turn can consist of several components. The adjustments to key performance indicators (a) and (b) are made to eliminate one-off effects. The total target amount is divided into three sub-target amounts (a), (b) and (c) according to the three performance indicators (a), (b) and (c). Between the degrees of target achievement of 80% to 100% and 100% to 120% respectively, the partial target amount payable is calculated by linear interpolation. An incentive bonus is only paid out in total if a target achievement level of at least 80% is determined for each of the two performance indicators (a) and (b). As of December 31, 2023, no agreement had been concluded for this remuneration component, meaning that no payments were made by the company.

In addition, a long-term bonus (long-term incentive ("LTI")) geared towards sustainable corporate development was agreed. Sustainability is understood to mean a four-year assessment basis ("LTI bonus period"). The payment of a long-term bonus consists of the following sustainable target components ("sustainability components"):

- Granting of virtual share options to incentivize the increase in the company's share price over the LTI bonus period ("sustainability component 1"). Explanations on this are summarized in section 9.2,
- Fulfillment of targets for the Group's innovation performance over the LTI bonus period ("sustainability component 2").

The target value for sustainability component 2 corresponds to a target achievement of 100%. The lower threshold value is a target achievement of 80% or more, and the target achievement is limited to an upper threshold value of 120%.

In addition, the Supervisory Board of the company may, at its reasonable discretion, grant an additional voluntary discretionary bonus after the end of the respective fiscal year in the event of extraordinary performance by a member of the Management Board for the company. The maximum gross amount for the discretionary bonus is contractually agreed with the respective Management Board member. The Management Board member has no legal entitlement to the discretionary bonus.

In the fiscal year 2024, such a discretionary bonus has been accrued in the amount of the contractually agreed maximum amounts of EUR 53 thousand.

In addition, the members of the Management Board receive fringe benefits (EUR 30 thousand; previous year: EUR 31 thousand), which mainly consist of benefits for social security contributions and the private use of company cars and are taxed individually by the members of the Management Board.

The obligations recognized in the pension provision relate entirely to former members of the Management Board. There are no pension commitments to members of the Management Board employed in the fiscal year 2024. The disclosures on pension provisions are presented in detail in section 7.2.4.

Another transaction with members of the Management Board is the subscription of 22,727 shares by the Chairman of the Management Board Jakub Baran with a total value of EUR 99,998.80 as part of the capital increase carried out in the prior reporting year.

9.1.3 Transactions with the Supervisory Board

The following persons were appointed to the Supervisory Board in the fiscal year 2024:

Florian Schuhbauer (Deputy Chairman until June 28, 2024, Chairman since June 28, 2024)	– Partner, Active Ownership Capital S.à.r.l. and Active Ownershsip Corporation S.à.r.l. (AOC) – Managing Director – Active Ownership Advisors GmbH / Active Ownership Research Germany GmbH
Dr. Alexander Granderath (Member and Chairman until June 28, 2024)	– Chairman of the Supervisory Board of Francotyp Postalia GmbH – Member of the Advisory Board of the Serafin Group of Companies
Dr. Peter Greiner (Member and Deputy Chairman since June 28, 2024)	– Black Walnut Ventures FZCO, Dubai, UAE, Sole Shareholder, General Manager – dawn-bio GmbH, Vienna, Austria – Co-founder, Member of the Management Borad, General Manager
Frank Köhler	– Co-founder of Aroma Company GmbH – Partner and director of Aroma Company Köhler & Weckesser GbR – Member of the Supervisory Board of Shop Apotheke Europe N.V. – Managing Director of Humiecki & Gräfe GmbH
Dr. Ursula Schütze-Kreilkamp	– Head of Human Resources Group Management KFK, Deutsche Bahn AG
Konrad Miterski	– Torpol SA, Member of the Supervisory Board, Chairman of the Audit Committee – Larq SA, Vice President of the Supervisory Board, Chairman of the Audit Committee – Nadwozia Partner SA, President of the Supervisory Board – Synthaverse SA, Member of the Supervisory Board, Member of the Audit Committee
Paul Owsianowski	– Partner, Active Ownership Advisors GmbH

The remuneration system for the Supervisory Board is regulated in Article 18 of the company’s Articles of Association and sets out both the abstract and the concrete framework for the remuneration of Supervisory Board members.

Supervisory Board remuneration generally consists of fixed basic remuneration and fringe benefits (liability insurance and expenses). In the fiscal year 2024, payments were made to the Supervisory Board in the amount of EUR 197 thousand (previous year: EUR 174 thousand), which were due in the short term.

9.1.4 Transactions with related parties

Business transactions with related parties were as follows:

	Deliveries and services rendered		Deliveries and services received	
	2024	2023	**2024**	2023
Nardus Consulting	0	0	74	76

The expenses to Nardus Consulting relate to expenses for the rental of office and laboratory space. These took place at arm’s length conditions, as is customary with third parties.

AOC Health GmbH subscribed to 1,493,791 shares with a total value of EUR 6,572,680.40 as part of the capital increase carried out in the previous year. Shareholder Value Beteiligungen AG subscribed to 87,127 shares with a total value of EUR 87,131.40.

On April 25, 2023, ACTIVE OWNERSHIP FUND SICAV-FIS SCS (AOF) issued a letter of comfort in favor of the company to ensure the company's solvency and avoid over-indebtedness of the company The payment obligation of AOF is limited to a maximum amount of EUR 10,000,000.00 in total. The obligations of the AOF under this letter of comfort expired with the conclusion of new credit lines of the company on August 15, 2023.

As in the previous year, there were no outstanding receivables and liabilities with these related parties as of December 31, 2024.

9.2 SHARE-BASED PAYMENT PROGRAMS

Cash-settled share-based payment programs

Sustainability component 1 of the LTI program consists of a program based on virtual stock options (VSOs) ("VSO program"). A VSO corresponds to a virtual subscription right to a share in the company, i.e. it is not a (genuine) option to acquire shares in the company. However, with the consent of the Management Board member, the Company can also fulfill its obligation to pay out the share price-based remuneration in cash by transferring shares of FamiCord AG, for example from the treasury stock. Since the recipients of the share price-based remuneration can ultimately decide on the form of compensation, it is a compound financial instrument that contains a liability component and an equity component. However, as the recipients would have to waive the right to cash settlement to receive the equity alternative with the same fair value, the entire fair value of the grant is recognized as a liability.

The key points of the VSO program are presented below:

Systematics	Annual issue of a number of VSOs in the first week of October, which are automatically exercised to a certain extent at certain times ("vesting"). Vesting takes place in three steps: – 33% of VSOs after 2 years following issue (holding period), – A further 33% of VSOs after 3 years following issue – and the remaining 34% of VSOs after 4 years following issue.
Term/fulfillment	– Term: 4 years; – Immediate vesting of all outstanding VSOs if no closing auction prices are determined for the company's shares on XETRA for ten consecutive trading days or in the event of a change of control; – payment claim in cash or, at the company's discretion and with the consent of the Management Board member, in shares.
Calculation parameters/payout	– The amount of the remuneration is calculated as the difference between the arithmetic mean of the XETRA closing auction prices of the last 20 trading days (alternatively the last 20 closing auction prices determined) of the month of September in the year of issue (initial value) and in the year of exercise of the VSOs (final value); – Adjustment to take account of dividend payments and capital measures; – Payment is made in the month of December of the year of the respective vesting unless a later payment is required for legal reasons in the case of payment in shares.
Restrictions	– Automatic exercise takes place at the aforementioned times as long as the Management Board member is in office or if the term of office has ended due to (a) reaching an age limit or (b) an important reason in accordance with § 626 BGB from the sphere of the company; – The final value does not have to meet a minimum hurdle compared to the initial value. If the final value is lower than the initial value, no payment is made.
Cap	– Limitation of the final value to three times the initial value.

The number of VSOs to be allocated to each Management Board member (on average per year of the term of the program) is based on the total target remuneration set by the Supervisory Board for the Management Board member, assuming that the internal forecasts for the development of the shares are achieved. Taking into account the provisions of the remuneration system, in particular the maximum remuneration, it is also possible to conclude a further VSO agreement during the term of a VSO agreement.

As the performance of the VSOs is directly linked to the performance of the company's share price and vesting takes place over a total period of four years, the VSO program creates an incentive to positively influence the company's performance over the long term in the interests of shareholders. At the same time, the Management Board member not only participates in a positive development of the company, as a negative development of the share price also has an impact on the amount paid out.

In the reporting year 75.000 VSOs were issued to Jakub Baran and 25.000 VSOs to Thomas Pfaadt at an initial value of EUR 4.57 each, which are vested in three tranches over the four-year term. No VSOs were issued in the prior reporting year. In year 2022, a total of 130,314 VSOs were issued to Jakub Baran and 59,234 VSOs each to Tomasz Baran and Dirk Plaga at an initial value of EUR 8.70 each, which are vested in three tranches over the four-year term. For subsequent years, the number of VSOs will be determined by the Supervisory Board at its own discretion.

A provision was recognized as a liability in the amount of the fair value of the share-based payment pro rata temporis in accordance with the period already earned. The models used to value the option plans are based on arbitrage- free valuation according to Black/Scholes. The volatilities are determined based on the monthly closing prices over a historical period of three years.

The parameters used are listed in the following table:

	Unit	**12/31/2024**	12/31/2023
Fair value	EUR	0.01 – 1.04	0.08 – 0.63
Share price on the reporting date	EUR	4.12	5.24
Carrying amount of the obligation	EUR	13,448	24,638
Base price	EUR	4.57 – 8.70	8.70
Risk-free interest	%	2.0 – 2.3	2.6 – 3.4
Annualized volatility	%	40.82	39.55
Runtime	years	0.75 – 3.75	0.75 – 2.75

Reconciliation of outstanding share options:

Number of options	**2024**	2023
Outstanding as of January 1	**189,548**	**248,782**
Expire during the year	62,551	59,234
Exercised during the year	–	–
Committed during the year	100,000	–
Outstanding as of December 31	**226,997**	**189,548**
Exercisable as of December 31	**–**	**–**

Sustainability component 2 is measured based on the fulfillment of the targets set by the Supervisory Board for the company's innovation performance (Vitality Index) over the LTI bonus period.

Innovation performance – in the sense of the development of new technologies, products or product features – is a key factor for the company's future economic success and is also easy to measure: the Vitality Index indicates the proportion of sales generated by products that have been launched on the market in the past four years and are technically innovative.

The Management Board member receives annual prepayments on an assumed payout amount in relation to sustainability component 2 in an amount to be agreed between the Supervisory Board and the Management Board member in EUR per fiscal year. At the end of the LTI bonus period, the amounts are adjusted based on the actual degree of target achievement and offset against the prepayments. If the Management Board member's variable remuneration for the fiscal year is not sufficient to offset the amounts to be reimbursed, they are offset against other remuneration components (e.g. fixed salary, STI or payments from the VSOs). The applicable statutory garnishment limits must be observed.

Share-based payment with compensation through equity instruments

The share-based payment programs discussed in this section relate to the subsidiary FamiCordTx S.A. FamiCordTx S.A. launched an option program for management, senior executives and other key employees in fiscal year 2023. Based on assumptions of the program, the company will issue options in three tranches with a vesting period of one year in the fiscal years 2023, 2024 and 2025. Furthermore, the options can only be exercised if defined performance targets are achieved.

The fair value of the company shares on which the options are based is determined at the grant date of each tranche, using the discounted cash flow method (free cash flow). To calculate the fair value, the future cash flows are estimated on the basis of budget planning.

For the first tranche the grant date was as of April 14, 2023. In 2024 the achievement of performance targets set for the first tranche has been evaluated and 788 shares issued to the employees based on the assessment.

As of June 20, 2024 (the second tranche grant date), Supervisory Board took the decision to confirm performance targets for the year 2024 and allocate second pool of 2,500 shares.

The parameters used are listed in the following table:

	Unit	**12/31/2024**	12/31/2023
Fair value of company share	EUR	73.01	165.80
Carrying amount of the obligation	EUR	182,518	98,867
Base price	EUR	0.23	0.23
Risk-free interest	%	5.70	3.95

The following table summarizes the options outstanding in the fiscal year:

Number of options	2024	2023
Outstanding as of January 1	**2,060**	**0**
Expire during the year	–1,272	0
Exercised during the year	–788	0
Committed during the year	2,500	2,060
Outstanding as of December 31	**2,500**	**2,060**
Exercisable as of December 31	**0**	**0**

The fair value of options for shares in the amount of EUR 119 thousand was recognized directly in equity in 2024 (previous year: EUR 99 thousand).

In 2024, 788 shares (EUR 133 thousand) have been transferred to employees based on the completion of program criteria. Therefore, these shares have been transferred from Group losses carried forward to non-controlling shareholders. In losses carried forward of the Group, the net effect of two above events have been disclosed, i.e. EUR –14 thousand.

9.3 AUDITORS' FEES AND SERVICES IN ACCORDANCE WITH § 314 HGB

The total fee charged from the auditor PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft in fiscal year 2024 amounts to EUR 457 thousand (previous year: EUR 609 thousand) and relates to auditing services for the statutory audits of the annual and consolidated financial statements of FamiCord AG of EUR 373 thousand (previous year: EUR 609 thousand), other assurance services of EUR 43 thousand (previous year: EUR 0 thousand) and other services of EUR 41 thousand (previous year: EUR 0 thousand). In addition, the Group incurred further fees from companies in the PricewaterhouseCoopers network of in total EUR 182 thousand (previous year: EUR 166 thousand), which relate to auditing services of EUR 162 thousand (previous year: EUR 147 thousand) and tax advisory services of EUR 20 thousand (previous year: EUR 19 thousand).

9.4 EARNINGS PER SHARE

When calculating undiluted/diluted earnings per share, the earnings attributable to the holders of ordinary shares in the parent company are divided by the weighted average number of ordinary shares in circulation during the year. The capital increase carried out in the fiscal year 2023 has been taken into account in the calculation of the average number of shares in circulation.

Undiluted/diluted earnings per share are calculated as follows:

EUR thousand	2024	2023
Loss from continuing operations	–12,299	–2,033
Less: portion attributable to non-controlling interests	163	168
Result from continuing operations attributable to shareholders of FamiCord AG	**–12,136**	**–1,865**
Number of shares outstanding (weighted average)	17,431,762	15,880,840
Earnings per share (EUR)	**–0.70**	**–0.12**

Weighted average number of ordinary shares used to calculate undiluted/diluted earnings per share:

	2024	2023
Ordinary shares as of January 1 of the fiscal year	17,640,104	16,036,459
New ordinary shares from capital increase in the fiscal year	0	1,603,645
Ordinary shares as of December 31 of the fiscal year	17,640,104	17,640,104
less treasury shares	–208,342	–208,342
Ordinary shares as of December 31 of the fiscal year without treasury shares	17,431,762	17,431,762
Weighted average of ordinary shares for the calculation of undiluted/diluted earnings per share	17,431,762	15,880,840

9.5 CONTINGENCIES AND OTHER FINANCIAL OBLIGATIONS

As of the reporting date of December 31, 2024, the Group had obligations to purchase property, plant and equipment in the amount of EUR 0 thousand (December 31, 2023: EUR 854 thousand) and other obligations in the amount of EUR 0 thousand (December 31, 2023: EUR 0 thousand).

9.6 EVENTS AFTER THE REPORTING DATE

In April 2025, Mr. Jakub Baran's Management Board contract was extended. With Mr. Tomasz Baran, whose previous Management Board contract ended on March 21, 2025, a new Management Board contract was concluded with effect from April 30, 2025, under which he will take on the new position of Chief Medical Officer. His previous position as Chief Commercial Officer will be filled in the coming months.

There were no further events after the reporting date that had a material impact on the Group's net assets, financial position or results of operations.

Leipzig, April 29, 2025

Jakub Baran
CEO

Thomas Pfaadt
CFO

FURTHER INFORMATION

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements and the consolidated financial statements of FamiCord AG give a true and fair view of the net assets, financial position and results of operations of the company and the Group, and the combined management report includes a fair review of the development and performance of the business and the position of the company and the Group, together with a description of the principal opportunities and risks associated with the expected development of the company and the Group.

Leipzig, in April 2025
Management Board of FamiCord AG

Jakub Baran	Thomas Pfaadt
CEO	CFO

INDEPENDENT AUDITOR’S REPORT

To FamiCord AG, Leipzig

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

AUDIT OPINIONS

We have audited the consolidated financial statements of FamiCord AG (formerly Vita 34 AG) , Leipzig, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated income statement, consolidated statement of changes in group equity and consolidated cash flow statement for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of FamiCord AG, which is combined with the Company’s management report, for the financial year from 1 January to 31 December 2024.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and

- the accompanying group management report as a whole provides an appropriate view of the Group’s position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

1. Recoverability of goodwill

2. Accounting for revenue in accordance with IFRS 15

Our presentation of these key audit matters has been structured in each case as follows:

1. Matter and issue

2. Audit approach and findings

3. Reference to further information

Hereinafter we present the key audit matters:

1. RECOVERABILITY OF GOODWILL

1. In the Company's consolidated financial statements goodwill amounting in total to € 30,664 thousand (20.1% of total assets) is reported under the „Goodwill“ balance sheet item. Goodwill is tested for impairment by the Company once a year or when there are indications of impairment to determine any possible need for write-downs. The impairment test is carried out at the level of the cash-generating units orthe groups of cash-generating units, respectively, to which the relevant goodwill is allocated. The carrying amount of the relevant cash-generating units, including goodwill, is compared with the corresponding recoverable amount in the context of the impairment test. The recoverable amount is generally determined using the value in use. The present value of the future cash flows from the respective cash-generating unit or group of cash-generating units normally serves as the basis of valuation. Present values are calculated using discounted cash flow models. For this purpose, the adopted medium-term business plan of the Group forms the starting point which is extrapolated based on assumptions about long-term rates of growth. Expectations relating to future market developments and assumptions about the development of macroeconomic factors are also taken into account. The discount rate used is the weighted average cost of capital for the respective of cash-generating unit or group of cash-generating units. The impairment test determined that it was necessary to recognize write-downs amounting to a total of € 8,713 thousand.

   The outcome of this valuation is dependent to a large extent on the estimates made by the executive directors with respect to the future cash inflows from the respective group of cash-generating units, the discount rate used, the rate of growth and other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complex nature of the valuation, this matter was of particular significance in the context of our audit.

2. As part of our audit, we assessed the methodology used for the purposes of performing the impairment test, among other things. After matching the future cash inflows used for the calculation against the adopted medium-term business plan of the Group, we assessed the appropriateness of the calculation, in particular by reconciling it with general and sector-specific market expectations. In addition, we assessed the appropriate consideration of the costs of Group functions. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the value of the entity calculated in this way, we focused our testing in particular on the parameters used to determine the discount rate applied, and assessed the calculation model. In order to reflect the uncertainty inherent in the projections, we evaluated the sensitivity analyses performed by the Company. We verified that the necessary disclosures were made in the notes to the consolidated financial statements relating to cash-generating units or groups of cash-generating units for which a reasonably possible change in an assumption would result in the recoverable amount falling below the carrying amount of the cash-generating units including the allocated goodwill.

   Overall, the valuation parameters and assumptions used by the executive directors are in line with our expectations and are also within the ranges considered by us to be reasonable.

3. The Company's disclosures on impairment testing of goodwill are contained in the summary of significant accounting policies in section „Intangible assets" of chapter 2.4.4, in Significant accounting estimates and judgements in section „Goodwill impairment test" of chapter 3.1 and in section 7.1.1 „Goodwill" of notes to the consolidated financial statements.

2. ACCOUNTING FOR REVENUE IN ACCORDANCE WITH IFRS 15

1. In the consolidated financial statements of FamiCord AG, revenue of € 82,184 thousand is recognised in the consolidated income statement, of which € 54,189 thousand is related to the collection and processing of umbilical cord blood, € 23,520 thousand to its storage and € 4,475 thousand to other revenue. This significant item in terms of its amount is subject to particular risk due to the complexity of the systems necessary for proper recording and allocating and the existence of multiple element agreements.

   Revenue and the corresponding contract liabilities and contract assets are based to a large extent on estimates and assumptions made by the executive directors, particularly with regard to the costs to be included in the course of the „expected cost plus a margin" approach when allocating the transaction price to the performance obligations and with regard to determining the contractual terms to be recognised for the various contract types. Furthermore, the determination of the contract term for some contract constellations with annual cancellation options is dependent on discretionary decisions by the executive directors with regard to the assessment of the existence of significant contractual penalties within the meaning of IFRS 15.11. The proper recording and allocation of revenue is considered to be complex when applying the IFRS 15 accounting standard due to the large number of different contract constellations and manual adjustment entries.

   Against this background, the accounting for revenue was of particular significance in the context of our audit.

2. Taking into account the knowledge that there is an increased risk of misstatements in the financial reporting due to the complexity of the collection and processing of data and the estimates and assumptions to be made with regard to certain individual contractual agreements, we first assessed the processes and controls established by the Group for the recognition of revenue as part of our audit. In doing so, we also assessed the IT systems used for invoicing and the proper recording of transactions up to the recording in the general ledger.

   As part of our audit procedures on a case-by-case basis, we analysed the different characteristics of the various contractual models and assessed whether the performance obligations and their contractual terms were properly identified and whether these services were provided over a certain period of time or at a certain point in time. In this context, we also assessed the appropriateness of the procedures applied, including the cost calculation performed within the Group as the basis for revenue allocation in accordance with the „expected cost plus a margin" approach, and evaluated the estimates and judgements made by the executive directors regarding revenue recognition and revenue allocation.

In addition, we assessed the evidence on which the revenue is based and the payments received on a test basis. By performing consistent audit procedures as part of the audit of the operating subsidiaries, we ensured that we adequately addressed the inherent audit risk of revenue.

We were able to satisfy ourselves that the systems, processes and controls in place are appropriate and that the estimates and assumptions made by the executive directors for the recognition of revenue are adequately documented and substantiated.

3. The company's disclosures on revenue in the consolidated financial statements of FamiCord AG are contained in chapter 2.4 „Summary of significant accounting policies“ and 3.1 „Significant accounting estimates and judgements“ and 6.1 „Revenue“ of the notes to the consolidated financial statements.

OTHER INFORMATION

The executive directors are responsible for the other information.

The other information comprises

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB
- the separate non-financial group report to comply with §§ 315b to 315c HGB
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.

- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH § 317 ABS. 3A HGB

ASSURANCE OPINION

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic „FamiCord_KAuZLB_ESEF_2024-12-31.zip" and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

BASIS FOR THE ASSURANCE OPINION

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ESEF DOCUMENTS

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

GROUP AUDITOR'S RESPONSIBILITIES FOR THE ASSURANCE WORK ON THE ESEF DOCUMENTS

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as group auditor by the annual general meeting on 28 June 2024. We were engaged by the supervisory board on 30 January 2025. We have been the group auditor of the FamiCord AG, Leipzig, without interruption since the financial year 2021.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

REFERENCE TO AN OTHER MATTER– USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Susanne Riedel.

Berlin, April 30, 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Susanne Riedel Wirtschaftsprüferin	ppa. Dr. Kay Lubitzsch Wirtschaftsprüfer

FINANCIAL CALENDAR 2025

04/30/2025	Annual Report 2024
05/28/2025	Quarterly Statement (Q1)
06/25/2025	Annual General Meeting
08/27/2025	Half-year financial report (H1)
11/21/2025	Quarterly Statement (Q3)

IMPRINT

CONTACT
FamiCord AG
Perlickstraße 5
04103 Leipzig
Germany

Telephone: +49 (0)341 48792-40
Telefax: +49 (0)341 48792-39
E-mail: ir@famicord.com

EDITORIAL TEAM
FamiCord AG, Leipzig
Better Orange IR & HV AG, Munich
Stravillia Sustainability Hub, Lda, Portugal

CONCEPT & DESIGN
Silvester Group, Hamburg

PHOTO CREDITS
FamiCord AG, Leipzig
Max Niemann, Leipzig
www.freepik.com

NOTE
In the interests of readability, the annual report does not use the masculine, feminine and diverse (m/f/d) forms of language simultaneously. All references to persons apply equally to all genders.

PUBLICATION
This annual report was published in German and English on April 30, 2025 and is available for download on our Internet site.

FamiCord on the Internet: www.famicord.com

FamiCord
MORE THAN A STEM CELL BANK

FamiCord AG
Registered office: Perlickstraße 5 | D-04103 Leipzig
Mailing address: Perlickstraße 5 | D-04103 Leipzig
T: +49 (0)341 48792-0 | F: +49 (0)341 48792-20
ir@famicord.com | www.famicord.com