

## Grifols closes its EUR 2 billion bond issuance to finance its investment in Biotest

- The issuance, launched on September 27, 2021, has been closed in record time following the positive reaction of financial investors
- Investors recognize Grifols' solid market position, robust business model and capacity to generate operating cash flow, as well as the significant value-added of the Biotest transaction
- Strong over-subscription has led to a better pricing resulting in an effective cost of 3.9% through a EUR 1.4 billion bond at 3.875% and a EUR 600 million dollar-equivalent bond at 4.75%, both with 7-year maturities
- Grifols expects its leverage ratio to fall below 3.5x by 2024

**Barcelona, October 5 2021.-** Grifols (MCE:GRF, MCE:GRF.P, NASDAQ:GRFS) has closed its issuance of senior unsecured notes for the equivalent of EUR 2 billion to finance its investment in Biotest AG.

The issuance, launched on September 27, 2021, closed in record time following the positive reaction of financial investors, who recognize and value the unique and transformational opportunity the Biotest investment represents for Grifols. This response also confirms the market's confidence in Grifols' business model.

The issuance is divided into two tranches: a tranche for EUR 1.4 billion and a 3.875% coupon rate, and a tranche in U.S. dollars, equivalent to EUR 600 million and a 4.75% coupon rate. Both have 7-year maturities, expiring in October 2028.

**Grifols CFO Alfredo Arroyo** is pleased with the market's reaction: "The response from investors underscores their level of trust in Grifols' growth. Demand is seven times the amount issued in dollars and nearly twice the amount issued in euros, allowing us to improve the effective price of the issuance to 3.9%."

Bonds proceeds will be allocated to finance the EUR 1.1 billion acquisition of the entire share capital of Tiancheng (Germany) Pharmaceutical Holdings AG, which owns 89.88% of Biotest AG ordinary shares and 1.08% of preferred shares.

Additionally, proceeds will also be used to finance the voluntary public tender offer for Biotest AG remaining ordinary and preferred shares.

BofA Securities has acted as sole underwriter and sole book-runner for the bond issue.

Summary of tranches and terms:

Tranche	Amount	Coupon	Issuance	Maturity
<b>Euros</b>	EUR 1.4 billion	3.875%	At par	October 2028
<b>USD</b>	EUR 600 million (equivalent)	4.750%	At par	October 2028

Grifols retained Osborne Clarke, S.L.P and Proskauer Rose, L.L.P as legal advisors.

## **Biotest: a complementary investment to boost Grifols' performance**

Founded in 1946, Biotest AG is a global company listed on the Frankfurt Stock Exchange that specializes in innovative hematology and clinical immunology solutions. Headquartered in Dreieich (Germany), it develops, produces and markets biological medicinal products with applications in hematology, clinical immunology and intensive care.

The company's current portfolio includes 12 different products with a global commercial footprint in more than 90 countries. Biotest employs 1,928 people around the world.

Biotest AG has a manufacturing capacity of up to 1.5 million liters of plasma annually, which it expects to double through the Biotest Next Level Project. Its plasma center network includes 26 European centers located in Germany, Czech Republic and Hungary.

In 2020, Biotest AG reported EUR 484 million in revenues and an adjusted EBITDA of EUR 108 million.

This acquisition will enhance Grifols' growth and profitability and bolster its position in the plasma-derived medicines industry by accelerating and expanding its product portfolio.

Upon completing the Biotest acquisition, Grifols expects combined revenues to grow to more than EUR 7 billion and EBITDA to more than EUR 2 billion, and achieve an EBITDA margin higher than 30% by 2024. All this will contribute to rapid and progressive reduction of its debt ratio to below 3.5x by 2024.

Grifols maintains its commitment to reach its deleveraging target and will use all means available to achieve it. The company has no plans of pursuing significant M&A operations or cash dividends until leverage is below 4x.

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## About Grifols

Grifols is a global healthcare company founded in Barcelona in 1909 committed to improving the health and well-being of people around the world. Its four divisions - Bioscience, Diagnostic, Hospital and Bio Supplies - develop, produce and market innovative solutions and services that are sold in more than 100 countries.

Pioneers in the plasma industry, Grifols operates a growing network of donation centers worldwide. It transforms collected plasma into essential medicines to treat rare, chronic and, at times, life-threatening conditions. As a recognized leader in transfusion medicine, Grifols also offers a comprehensive portfolio of solutions designed to enhance safety from donation to transfusion. In addition, the company supplies tools, information and services that enable hospitals, pharmacies and healthcare professionals to efficiently deliver expert medical care.

Grifols, with close to 24,000 employees in 30 countries, is committed to a sustainable business model that sets the standard for continuous innovation, quality, safety and ethical leadership.

In 2020, Grifols' economic impact in its core countries of operation was EUR 7.5 billion. The company also generated 140,000 jobs, including indirect and induced jobs.

The company's class A shares are listed on the Spanish Stock Exchange, where they are part of the Ibex-35 (MCE:GRF). Grifols non-voting class B shares are listed on the Mercado Continuo (MCE:GRF.P) and on the U.S. NASDAQ through ADRs (NASDAQ:GRFS).

For more information about Grifols, please visit [www.grifols.com](http://www.grifols.com)



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