

Grifols' Biopharma delivers robust 34% operational growth in Q3, driving revenues to EUR 4,351m in the first nine months of 2022

- Q3 revenues grow by 23% cc and 37% on a reported basis to EUR 1,541 million driven by Biopharma (EUR 1,265 million; +34% cc; +49% reported)
- Robust Q3 growth leads to total revenues of EUR 4,351 million, increasing by 9.5% cc (+18.8% reported) in the first nine months of 2022
- Plasma collection volumes grow by 25% YTD; focused on increasing efficiency with lower cost per liter
- Reported EBITDA totals EUR 927 million, representing a 21.3% margin (22.2% excluding Biotest), driven by revenue growth, operational leverage and cost discipline
- Net profit totals EUR 188 million, reflecting higher financial expenses linked with Biotest acquisition
- Reported leverage ratio declines to 8.6x, while it is expected to further decline to 7.9x at year-end 2022
- Grifols is laser-focused on improving cash flow and expense profile, reducing debt, capturing commercial opportunities, unlocking Biotest's substantial value, and streamlining the organization
- The company is on track to deliver on its financial commitments for FY2022, with record revenues in the range of EUR 5.8 to 6.0bn and adjusted EBITDA margin of 20-21%

Barcelona, November 8, 2022- Grifols (MCE:GRF, MCE:GRF.P, NASDAQ:GRFS) advanced on its strategic growth path after reporting strong fundamental business performance in the third quarter of 2022. The company delivered significant 23.2% cc¹ growth (37.0% on a reported basis), reaching EUR 1,541.1 million in revenues (EUR 1,433.4 million excluding Biotest). Biopharma delivered a strong quarter, expanding by 34.0% cc and 49.5% on a reported basis.

Year to date, Grifols' revenues totaled EUR 4,351.2 million (EUR 4,145.2 million excluding Biotest), increasing by 9.5% cc (+18.8% on a reported basis) compared to the same period in 2021.

As **Steven F. Mayer, Executive Chair of Grifols' Board of Directors**, comments, "Grifols is well-prepared to continue accelerating its performance, and I am absolutely committed to strong execution. I will work tirelessly to increase value for all shareholders and build a performance-oriented, efficient, data-driven, agile, decisive and accountable organization."

¹ Constant currency, which excludes quarter-on-quarter exchange rate fluctuations

At present, we continue rolling out cost discipline and control measures to improve cash flow and expense profile, as well as prioritizing the reduction of debt. These efforts, coupled with capturing commercial opportunities and unlocking Biotest's inherent potential, will drive Grifols' performance going forward. We will remain true to our core and sustainability values and aim to demonstrate the unlocking of further value by enhanced transparency in our communications with the market."

Grifols' co-CEOs **Victor Grifols Deu** and **Raimon Grifols Roura** note: "Today's earnings are testament to Grifols' efforts to drive growth and operational execution, as witnessed by our outstanding sequential improvement despite the challenging macroeconomic backdrop.

Our fundamentals remain robust, and we continue to improve patients' lives around the world. After successfully increasing plasma volumes and sustainable revenue growth in the third quarter, we plan on doubling our efforts to expand margins through cost optimization and operational efficiencies."

It is the moment to capitalize on Grifols' many strengths to deliver on our commitments."

Biopharma revenues reached EUR 1,265.2 million (EUR 1,157.5 million excluding Biotest) in the third quarter of 2022, growing by 34.0% cc (+49.5% on a reported basis). Several drivers underpinned this strong performance, including robust underlying demand for immunoglobulins, larger plasma supply, price increases and product mix. Especially notable were sales of subcutaneous immunoglobulin (SCIG) supported by higher demand and favorable customer mix.

Year to date, Biopharma sales stand at EUR 3,578.1 million (EUR 3,372.1 million excluding Biotest), a y-o-y increase of 16.0% cc (+26.3% on a reported basis).

Grifols' Biopharma's revenue grew by 8.7% cc and 19.1% on a reported basis (excluding Biotest) in the first nine months of 2022 compared to 2021. This performance reflects sequential acceleration of 21.3% cc (+36.8% reported) in the third quarter, compared to +0.1% cc (+9.9%) in the second quarter and +7.1% cc (+13.5% on a reported basis) in the first quarter.

Grifols AlphaID™ At Home Genetic Health Risk Service has been cleared by the U.S. Food and Drug Administration (FDA). The service is the company's first FDA clearance for direct-to-consumer use and it will be available beginning in Q2 2023 for U.S. adults to screen for their genetic risk level of developing lung and/or liver disease related to alpha-1 without a medical prescription.

Plasma collections continued to grow, increasing 25% year-to-date compared to previous year² (+28% in the U.S.). This improvement was driven by new and recently acquired plasma centers; greater plasma volumes from existing centers; and operational enhancements.

The robust growth in plasma collections is expected to continue in the fourth quarter of 2022 and onwards, supported by current momentum, macroeconomic backdrop and the upside from B-1/B-2 visa donors, having resumed collections from qualified Mexican national donors since mid-September.

² Comparing first 42 weeks of 2022 with first 42 weeks of 2021

Diagnostic revenues decreased by 20.8% cc (-13.6% on a reported basis) to EUR 169.6 million in the third quarter of 2022, primarily due to non-recurring sales of TMA (Transcription-Mediated Amplification) molecular tests, used to detect SARS-CoV-2 and the termination of mandatory Zika-virus testing, which was partially offset by robust sales of blood typing solutions.

Diagnostic recorded EUR 499.1 million in revenues in the first nine months of 2022, down 21.0% cc (-15.7% on a reported basis) compared to the same period in 2021. Excluding the COVID-19 one-off testing and mandatory Zika-virus screening, the decline was 3.5% cc impacted by country mix and pricing.

Bio Supplies, which now solely includes the former Bio Supplies Commercial business line, reported significant revenue growth in the third quarter, expanding by 29.9% cc (+47.9% on a reported basis) to EUR 44.2 million, following the acquisition of Access Biologicals. The business unit grew by 5.4% cc (+16.3% on a reported basis) in the first nine months of 2022.

Gross margin totaled 38.2% (37.5% including Biotest), representing a slight decline from the 38.9% (38.2% including Biotest) reported in the first half of 2022 due to donor compensation and labor cost inflation. Additionally, the end of the COVID-19 one-off testing and Zika screening impacted by 250bps the first nine months of 2022 compared to same period in 2021.

Grifols continues to expand and optimize its operations despite inflationary pressures. The company's efforts to reduce costs and increase operational efficiency resulted in a stable cost per liter in the first half of the year on a like-for-like basis, notwithstanding the 8 to 10% annual inflation in Grifols' regions of operation.

On the back of solid plasma-collection levels, Grifols is focused on balancing volume and cost per liter to drive margin expansion, with an emphasis on reducing donor compensation and optimization of labor and fixed costs. Donor compensation fell by 7% from January to September, and by >15% from its peak in July.

EBITDA grew to EUR 927 million in the first nine months of the year at a 22.2% margin (21.3% including Biotest). Grifols continues to exert cost discipline through its savings plan and the prioritization of R+D projects, which partially offset inflationary pressures, as well as higher Biotest expenses, particularly related to the Biotest Next Level (BNL) project³.

Adjusted EBITDA was EUR 899 million, with an adjusted EBITDA **margin** of 20.7%. Excluding Biotest, it also stood at 20.7%.

Excluding the impact of IFRS 16⁴, **net financial debt** totaled EUR 9,380.9 million, and the reported leverage ratio declined from 9.0x in the first half of 2022 to 8.6x. It is expected to further decline to 7.9x at year-end 2022.

As of September 30, 2022, Grifols' strong **liquidity position** totaled EUR 1,570 million, including a **cash position** of EUR 480 million.

Grifols is operating under a long-term business plan that requires no additional capital, and is firmly committed to strategic delivery, cost discipline and control, operating cash flow generation, increased liquidity and deleveraging.

³ Biotest Next Level (BNL) project aims to increase production capacity in Dreieich, Germany, and develop three key R&D projects (IgG Next Gen, Trimodulin, Fibrinogen)

⁴ As of September 30, 2022, the impact of IFRS 16 on total debts is EUR 1,122.7 million

CONFERENCE CALL

Grifols invites investors to listen to a webcast of a conference call at 2.30 pm CET / 8.30 am EST on Tuesday, November 8, 2022.

The purpose of the call is to provide a business update on Grifols' results, as reflected in the company's Third Quarter 2022 Business Update Presentation.

To listen to the webcast and view the Business Update Presentation, visit our web site www.grifols.com/en/investors. Participants are advised to register in advance of the conference call.

The transcript and webcast replay of the call will be made available on our web site at www.grifols.com/en/investors within 24 hours after the end of the live conference call.

INVESTORS:

Grifols Investors Relations & Sustainability

inversores@grifols.com - investors@grifols.com

sostenibilidad@grifols.com - sustainability@grifols.com

Tel. +34 93 571 02 21

MEDIA CONTACTS:

Grifols Press Office media@grifols.com Tel. +34 93 571 00 02	
Spain Duomo Comunicación Tel.: +34 91 311 92 89 – +34 91 311 92 90 Raquel Lumbreras (Tel. +34 659 572 185) Raquel_lumbreras@duomocomunicacion.com Borja Gómez (Tel. +34 650 402 225) Borja_gomez@duomocomunicacion.com	International Finsbury Glover Hering Email: Grifols-global@finsbury.com Tel.: +44 20 7251 3801

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 three main business units - Biopharma, Diagnostic and Bio Supplies - develop, produce and market innovative solutions and services that are sold in more than 110 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 more than 27,000 employees in more than 30 countries, is committed to a sustainable business model that sets the standard for continuous innovation, quality, safety and ethical leadership.

In 2021, Grifols' economic impact in its core countries of operation was EUR 7.7 billion. The company also generated 141,500 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

