Joint reasoned statement of the Management Board and Supervisory Board of Biotest Aktiengesellschaft Landsteinerstr. 5 63303 Dreieich Germany pursuant to Section 27 para. 1 WpÜG regarding the voluntary public takeover offer of Tiancheng (Germany) Pharmaceutical Holdings AG c/o KIRKLAND & ELLIS INTERNATIONAL LLP Maximilianstr. 11 80539 Munich Germany to the shareholders of Biotest Aktiengesellschaft dated 18 May 2017 Biotest Ordinary Shares: ISIN DE0005227201 Biotest Preference Shares: ISIN DE0005227235 Tendered Biotest Ordinary Shares: ISIN DE000A2E4TS2 Tendered Biotest Preference Shares: ISIN DE000A2E4TV6
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I. GENERAL INFORMATION ON THIS STATEMENT

On 18 May 2017, Tiancheng (Germany) Pharmaceutical Holding AG with its registered office in Munich, Germany ("Tiancheng AG" or the "Bidder"), pursuant to Sections 34, 14 para. 2 and 3 of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz, "WpÜG") published an offer document pursuant to Section 11 WpÜG (the "Offer Document") for its voluntary public takeover offer (the "Offer") to all shareholders of Biotest Aktiengesellschaft with its registered office in Dreieich, Germany ("Biotest" or the "Company", and together with its subsidiaries consolidated in the consolidated financial statements dated 31 December 2016 also referred to as the "Biotest Group", and the ordinary shareholders of Biotest the "Biotest Ordinary Shareholders" and the preference shareholders of Biotest the "Biotest Preference Shareholders", and the Biotest Ordinary Shareholders and the Biotest Preference Shareholders together the "Biotest Shareholders").

The Offer refers to the acquisition of all no-par value ordinary bearer shares in Biotest (ISIN: DE0005227201) (the "Biotest Ordinary Shares", and each individually a "Biotest Ordinary Share") with a proportional amount of the share capital of EUR 1.00 per share and all no-par value preferred bearer shares of Biotest (ISIN: DE0005227235) (the "Biotest Preference Shares", and each individually a "Biotest Preference Share", and together with the Biotest Ordinary Shares the "Biotest Shares", and individually a "Biotest Share"), including all ancillary rights, in particular the right to dividends, existing at the time of settlement of the Offer, for a purchase price in cash of EUR 28.50 per Biotest Ordinary Share and EUR 19.00 per Biotest Preference Share ("Offer Price").

The Offer Document was provided to the management board of Biotest (the "Management Board") on 18 May 2017. On the same day, the Management Board forwarded the Offer Document to the Supervisory Board of Biotest (the "Supervisory Board") and on 22 May 2017 to the works council of Biotest.

The Management Board and the Supervisory Board are hereby issuing a joint reasoned statement regarding the Bidder’s Offer pursuant to Section 27 WpÜG (the "Statement"). This Statement was adopted by the Management Board and the Supervisory Board on 30 May 2017.

In connection with the Statement, the Management Board and the Supervisory Board first point out the following:

1. LEGAL BASIS OF THIS STATEMENT

Pursuant to Section 27 para. 1 sentence 1 WpÜG, the management board and the supervisory board of a target company must issue a reasoned statement on a takeover offer as well as any changes thereto. The statement can be issued jointly by the management board and the supervisory board of the target company. With regard to the Bidder’s Offer, the Management Board and Supervisory Board have decided to issue a joint Statement.

2. FACTS ON WHICH THIS STATEMENT IS BASED

References to time in this Statement refer to the "local time" unless specified otherwise. Insofar as terms such as "currently", "momentarily", "now", "presently" "today" or other statements based on the present are used, these relate to the date of publication of this document; i.e. 1 June 2017 unless specified otherwise. The specified currency "EUR" or "Euro" refers to the currency of the European Union.

All information, forecasts, estimates, assessments, forward-looking statements, and intentions contained in this Statement are based on the information available to the
Management Board and the Supervisory Board upon publication of this Statement and reflect their estimates or intentions at this point in time. Forward-looking statements express intentions, views, or expectations and are subject to known or unknown risks and uncertainties, as these relate to events and depend on circumstances, which will take place in the future. Words such as "may", "should", "aim", "will", "expect", "intend", "assess", "anticipate", "believe", "plan", "determine" or similar expressions indicate forward-looking statements. The Management Board and the Supervisory Board assume that the expectations contained in such forward-looking statements are based on justified and comprehensible assumptions and that they are accurate and complete to the best of their knowledge as of the present day. However, the underlying assumptions can change after the date of publication of this Statement due to political, economic or legal events.

The Management Board and the Supervisory Board do not intend to update this Statement and shall not assume any obligation to update this Statement, provided that such updates are not mandatory under German law.

The information contained in this Statement relating to the Bidder, the persons acting jointly with the Bidder and the Offer are based on information included in the Offer or on other information in the public domain, unless expressly stated otherwise. The Management Board and the Supervisory Board were not able to inspect important documentation of the Bidder prior to issuing this Statement, so that the Management Board and the Supervisory Board are possibly not able to take account of important circumstances, which relate to the Bidder.

The Management Board and the Supervisory Board point out that the Biotest Shareholders who intend to accept the Offer should examine whether this acceptance is reconcilable with any legal obligations, which result from personal circumstances (e.g. security rights to the shares or sales restrictions). The Management Board and the Supervisory Board are not able to examine such individual obligations and/or take these into account in their recommendation. The Management Board and Supervisory Board recommend that all persons who receive the offer documentation outside of the Federal Republic of Germany or who intend to accept the Offer, but are subject to the securities laws of a legal system other than that of the Federal Republic of Germany, inform themselves about the relevant legal situation and act in accordance with this. The Management Board and the Supervisory Board recommend to the shareholders, where necessary, to obtain individual tax and legal advice (see also Section 20 of the Offer Document).

The Management Board and the Supervisory Board are also not in the position to verify the intentions set out by the Bidder in the Offer Document or to influence the implementation of the Bidder's intentions. Details regarding the Bidder's intentions are exclusively based on the information provided by the Bidder in the Offer Document, unless reference is made to another source. The Management Board and the Supervisory Board have no information available, which suggests that the correctness of the Bidder's disclosures regarding its intentions or their implementation should be questioned. However, the Management Board and the Supervisory Board, as well as the Bidder under Section 2.3 of the Offer Document, point out that the Bidder's intentions can change at a later time. There is no legal obligation to implement the intentions declared in the Offer Document. Therefore, it cannot be ruled out that the Bidder will change its stated intentions and/or that the intentions published in the Offer Document will not be implemented.

3. STATEMENT OF THE RESPONSIBLE WORKS COUNCIL

Pursuant to Section 27 para. 2 WpÜG, the responsible works council of Biotest can provide the Management Board with a statement regarding the Offer, which the Management Board must enclose with its Statement pursuant to Section 27 para. 2 WpÜG, notwithstanding its obligation pursuant to Section 27 para. 3 sentence 1 WpÜG. The
Management Board was informed by the responsible works council that it does not provide a statement.

4. PUBLICATION OF THIS STATEMENT AND POTENTIAL CHANGES TO THE OFFER

This Statement, as well as any amendments and/or additional statements regarding possible changes to the Offer, will be published in accordance with Section 27 para. 3 and Section 14 para. 3 sentence 1 WpÜG on the internet at the website of the Company at http://www.biotest.de under the heading Investor Relations. Copies of the statements will be held for distribution free of charge at Biotest AG, Investor Relations, Landsteinerstr. 5, 63303 Dreieich, Germany, and can be requested to be sent free of charge at the e-mail address investor_relations@biotest.de or telephone number +49 (0) 6103 801 4406, as well as fax number +49 (0) 6103 801 347. The Internet address at which the publication is made available, as well as the location for distribution free of charge, will be published through a notice in the Federal Gazette (Bundesanzeiger).

5. OWN RESPONSIBILITY FOR EXAMINATION BY THE BIOTEST SHAREHOLDERS

The Management Board and the Supervisory Board point out that the description of the Bidder's offer that is contained in this Statement does not claim to be complete and that provisions of the Offer Document alone are determinative for the content and completion of the Offer. The information and assessments of the Management Board and the Supervisory Board contained in this Statement do not bind the Biotest Shareholders in any way. Where this Statement refers to, cites, summaries or reproduces the Offer or the Offer Document, these are only references, as a result of which the Management Board and the Supervisory Board are neither adopting the Offer nor the Offer Document, nor are they assuming any guarantee for the correctness or completeness of the Offer and the Offer Document. Each Biotest Shareholder is responsible for taking note of the Offer Document, forming an opinion on the Offer and taking any necessary measures. Insofar as Biotest Shareholders accept the Offer or not, they are responsible for complying with the requirements and conditions described in the Offer Document.

The Offer Document is available on the Internet at http://www.tiancheng-germany-pharmaceutical-angebot.de and can be obtained in the form of printed copies free of charge from Baader Bank Aktiengesellschaft, Weihenstephaner Str. 4, 85716 Unterschleißheim, Germany (inquiries via fax at +49 89 5150 291400 or e-mail at documentation@baaderbank.de).

The Supervisory Board recommends that all Biotest Shareholders read the Offer Document in detail, as well as this Statement, prior to making a decision regarding acceptance of the Offer.

Overall, each Biotest Shareholder must make an independent decision about whether and to what extent to accept the Offer, in consideration of the overall situation, own individual circumstances (including the personal tax situation) and a personal assessment of the future development of the value and the stock exchange price of the Biotest Shares. To make this decision, the Biotest Shareholders should use all sources of information available to them and take sufficient account of their personal interests. The Management Board and the Supervisory Board assume no responsibility for this decision by the Biotest Shareholders.

II. GENERAL INFORMATION REGARDING BIOTEST AND THE BIDDER

1. BIOTEST

1.1 Legal basis of Biotest

Biotest is a listed German stock corporation with its registered office in Dreieich, Germany and is registered in the commercial register of the local court of Offenbach am Main under
HRB 42396. The business address of the Company is Landsteinerstr. 5, 63303 Dreieich, Germany.

Pursuant to Section 2 of the articles of association, the business purpose of the Company is, in particular, by using the trademark "Biotest", the development, manufacture and sale of biological, chemical, pharmaceutical, human and veterinary medical, cosmetic and dietary products, as well as of receptacles, equipment, machinery and accessories for medicinal, pharmaceutical and analytical purposes and research in these areas, and activities (in particular, research, development, manufacture and sale) in the areas of plant protection and plant breeding, the examination and keeping clean of soil, water and air, as well as in the area of products, materials and technologies used in space travel. The Company may enter into all transactions which are suitable of promoting its object directly or indirectly or are otherwise related to its object. The Company may, in particular, incorporate, acquire, or acquire capital interests in, business enterprises of the same type or in related industries at home or abroad and may establish branch offices.

The Company's financial year is the calendar year.

The Biotest Ordinary Shares and the Biotest Preference Shares are admitted to trading on the regulated market (Regulierter Markt) with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange, the Biotest Ordinary Shares under ISIN DE0005227201 and the Biotest Preference Shares under ISIN DE0005227235 and are tradable via the XETRA electronic trading system and via the Tradegate Exchange electronic trading system. In addition, the Biotest Shares are traded in the open market (Freiverkehr) at the stock exchanges in Berlin-Bremen, Duesseldorf, Frankfurt, Hamburg, Hannover, Munich and Stuttgart.

1.2 Members of the Management Board and the Supervisory Board of Biotest

The Management Board of Biotest AG is presently comprised of Dr Bernhard Ehmer (CEO), Dr Michael Ramroth (CFO, Central Services) and Dr Georg Floß (COO).

The supervisory board of Biotest consists of six members. The current members of the supervisory board are Dr Alessandro Banchi (Chairman), Dr Cathrin Schleussner (Deputy Chairman), Kerstin Birkhahn*, Jürgen Heilmann*, Thomas Jakob and Dr Christoph Schröder (*refers to employee representatives).

1.3 Capital structure and shareholder structure of Biotest

At the time of this Statement, the Company's share capital amounts to EUR 39,571,452 and is divided into 19,785,726 Biotest Ordinary Shares and 19,785,726 Biotest Preference Shares each representing a pro rata amount of the share capital of EUR 1.00 per Biotest Share. The Biotest Shares are no-par value bearer shares. Each Biotest Ordinary Share entitles to one vote. The Biotest Preference Shares do not carry any voting rights. The Company does not hold any treasury shares.

The articles of association of Biotest do not provide for authorized capital or conditional capital.

By resolution of the general meeting on 7 May 2015, Biotest was authorized in accordance with Section 71 para. 1 no. 8 of the German Stock Corporation Act (Aktiengesetz, "AktG") to acquire treasury shares amounting to up to 10% of the share capital existing at the time of the resolution or, if this value is lower, of the share capital existing at the time of exercise of the authorization. At no time may the acquired shares together with other shares that are held by Biotest, or are attributable to it in accordance with Section 71d AktG and Section 71e AktG, account for more than 10% of the share capital. The authorization may not be used by Biotest for the purpose of trading in treasury shares. The authorization is valid until 6 May 2020.
According to voting rights notifications received by Biotest from its shareholders that are published on the Biotest homepage, the following shareholders hold more than 3% of the voting rights in Biotest: OGEL GmbH as majority shareholder holds as of 7 April 2017 10,013,417 or 50.61% of Biotest Ordinary Shares. Furthermore, as of 21 April 2017, Kreissparkasse Biberach holds 3,002,285 or 15.17% of Biotest Ordinary Shares. Thereof, LBBW Asset Management Investmentgesellschaft mbH holds 1,470,079 or 7.43% of Biotest Ordinary Shares, which are attributed to Kreissparkasse Biberach. According to a voting rights notification dated 28 April 2017, JO Hambro Capital Management Ltd. holds 792,232 or 4.00% of Biotest Ordinary Shares and financial instruments within the meaning of Section 25 para. 1 no. 1 of the German Securities Trading Act (Wertpapierhandelsgesetz – "WpHG") in relation to 239,032 or 1.21% of Biotest Ordinary Shares. The remaining Biotest Ordinary Shares are in free float.

1.4 Structure and business activity of Biotest and Biotest Group

The Biotest Group is an internationally active supplier of plasma and plasma-derived protein therapeutics. Its main therapeutic areas are hematology, immunology and intensive care medicine. The Biotest Group includes 17 subsidiaries that operate in over 70 countries throughout the world.

The business activities of the Biotest Group are comprised in the three segments: therapy ("Therapy"), plasma and services ("Plasma & Services") and other ("Other"). In the Therapy segment, the Biotest Group focuses on product and development projects assigned to the indication areas of hematology, immunology and intensive care medicine. It provides life-enhancing or life-saving products used to treat patients around the world. In the Plasma & Services segment, plasma sales and toll manufacturing are combined. In this segment, Biotest sells sourced and specialty plasma to other plasma therapeutic manufactures. Furthermore, plasma products are toll manufactured. In such cases plasma is provided by various organisations. In the Other segment, Biotest reports on its merchandise business and all cross-divisional costs not allocated to the Therapy or Plasma & Services segments. Biotest's key customers include healthcare providers, pharmacies, hospitals, distributors, government health departments, and other buying groups.

Over the last few years, Biotest faced operative challenges and has recorded several write-offs, primarily within its US therapy business. In financial year 2016, EBIT of continuing and discontinued operations amounted to minus EUR 21.5 million, driven mostly by a loss of EUR 84 million from the therapy business. The loss included a write-off in the amount of EUR 50 million related to the sale of the US therapy business along with costs associated with a termination of the agreement with the cooperation partner Kedrion Biopharma Inc., restructuring and inventories write-offs. In financial year 2015 Biotest recorded a write-off of EUR 84 million in the third quarter and negative EUR 72 million in EBIT for the year. This performance was primarily due to weakness in the US therapy business, including pricing pressures and slow Bivigam® rollout, as well as discontinuation of the clinical development projects for CivacirTM and monoclonal antibody BT 061.

The operative development in the financial year 2016 was characterized by a necessary re-alignment of the Biotest Group due to sustained market pressure that was partly due to additional fractionation capacities arising at various other plasma companies and gradually coming to market. Biotest decided, inter alia, to sell its therapy business and toll manufacturing in the United States ("ADMA Transaction") but to further strengthen the profitable plasma collection business in the United States as well as in Europe by opening new plasmapheresis centers. To benefit from the increasing demand of plasma protein products worldwide, the Biotest Next Level expansion project ("BNL Project") was started in 2014. This significant investment project aims at expanding the production capacity at the headquarters in Dreieich, Germany and increasing Biotest's profitability by introducing new and additional plasma products and advanced production technologies. This is necessary to compete with the increasing market pressure Biotest has to deal with. As a consequence of the BNL Project, Biotest is facing significant costs (including the
associated clinical development and increasing ramp-up costs) resulting in a EUR 60 to 70 million estimated profit impact expected in 2017 as well as further high capital expenditure requirements over the coming years. In addition, costs for research and development in the field of monoclonal antibodies of around EUR 10 million will, according to Biotest’s assessment, impact earnings in 2017. In addition, the continued tense situation in the crisis regions, especially in the Middle East, negatively affected Biotest’s recent results and Biotest that they will continue to weigh on the business. Furthermore, on 24 March 2017, Biotest published a press release according to which its cooperation partner ImmunoGen, Inc., MA (USA) has elected not to exercise its late stage co-development option for the US-Market with Biotest’s antibody-drug conjugate (BT-062).

As at 31 December 2016, the Biotest Group employed 2,527 fulltime employees.

1.5 Business development and selected financial figures of Biotest and the Biotest Group

According to the Annual Report for the financial year 2016, the Biotest Group generated in the financial year 2016 a consolidated turnover of EUR 553.1 million (previous year: EUR 534.6 million). Of this, the Therapy segment accounted for EUR 346.8 million (previous year: EUR 359.6 million), the Plasma & Services segment for EUR 199.3 million (previous year: EUR 166.4 million) and the segment Other for EUR 7.0 million (previous year: EUR 8.6 million). The segment Therapy contributed 62.7% to group sales (previous year: 67.3%). The segment Plasma & Services contributed 36.0% to group sales (previous year: 31.1%). The segment Other contributed 1.3% to group sales (previous year: 1.6%). The consolidated earnings after taxes for the financial year 2016 equaled EUR 34.5 million (previous year: EUR 27.0 million).

Against a backdrop of the current transition period and operational challenges, Biotest’s Management Board released its 2017 profit (EBIT) guidance on 29 March 2017. The Management Board guided towards EBIT in the range of EUR 46 million to EUR 48 million and sales growth in a low single-digit percentage range. This profit (EBIT) guidance was significantly below its 2016 EBIT for continuing operations of EUR 64 million and significantly below the market expectations at the time, which was EUR 72 million according to FactSet as of 29 March 2017 and included projections by four brokers covering Biotest (Kepler Cheuvreux, Equinet (ESN) AG, MainFirst Bank AG and Hauck & Aufhäuser).

In April 2017, Biotest recalled several batches of human albumin due to an equipment failure in the production of an albumin intermediate. While at the time of the publication of this Statement, the financial impact of the recall is still being evaluated, Biotest further reduced its profit (EBIT) guidance for 2017 by EUR 25 million to EUR 30 million, resulting in an new implied profit (EBIT) guidance of EUR 16 million to EUR 23 million (derived by subtracting EUR 25 million from high end of the previous guidance of EUR 48 million and EUR 30 million from the low end of the previous guidance of EUR 46 million), i.e. less than 50% of the profit guidance published on 29 March 2017. In addition, Biotest decreased its sales guidance for 2017 from low single-digit growth rate to the same absolute level as in the prior year.

For further details about Biotest and the business development of Biotest and the Biotest Group reference is made to the financial reports and interim reports of Biotest, which are published on the Internet at http://www.biotest.de under the heading Investor Relations.

2. BIDDER

The Bidder disclosed the following information in the Offer Document. This information has not been or has been only partially examined by the Management Board and the Supervisory Board. The Management Board and Supervisory Board do not assume any liability for correctness of such information.
2.1 Legal basis and capital structure of the Bidder

Pursuant to Section 6.1 of the Offer Document, the Bidder, Tiancheng (Germany) Pharmaceutical Holdings AG, is a stock corporation (Aktiengesellschaft) under German law with registered office in Munich, Germany, registered in the commercial register (Handelsregister) of the local court (Amtsgericht) of Munich under HRB 231735. The current business address of the Bidder is: c/o Kirkland & Ellis International LLP, Maximilianstr. 11, 80539 Munich, Germany. The share capital of the Bidder amounts to EUR 50,000 and is divided into 50,000 no-par value registered shares. The shares of the Bidder are not listed on a stock exchange. The Bidder was established on 20 January 2017 in Munich, Germany. The corporate purpose of the Bidder includes, inter alia, the administration of its assets as well as the acquisition, sale, holding and administration of participations in companies which are nationally and internationally active.

The management board of the Bidder has one member, Kevin Lane, with business address at c/o Kirkland & Ellis International LLP, Maximilianstr. 11, 80539 Munich, Germany.

The members of the supervisory board of the Bidder are Ng Yuk, Tan Yang and John Perkins.

The Bidder currently holds no shares in other undertakings and has no employees.

2.2 Bidder's shareholder structure

Pursuant to Section 6.2 of the Offer Document, the companies and persons described in Sections 6.2.1 to 6.2.5 of the Offer Document (collectively, the "Bidder Parent Shareholders") directly or indirectly hold participations in the Bidder. Regarding an overview of the current shareholder structure of the Bidder as described in the following please refer to the chart contained in Annex 1 of the Offer Document.

The sole shareholder of the Bidder is Tiancheng International Investment Limited, a private company limited by shares under the laws of Hong Kong with registered office in Hong Kong, Hong Kong Special Administrative Region of the People's Republic China, registered in the companies registry of Hong Kong SAR under registration number 2376390 ("Tiancheng International").

Tiancheng Fortune Management Limited, a private company limited by shares under the laws of Hong Kong with registered office in Hong Kong, Hong Kong Special Administrative Region of the People's Republic China, registered in the companies registry of Hong Kong SAR under registration number 2376795 ("Tiancheng Fortune") has a shareholding of 44% in Tiancheng International and exercises controlling influence in Tiancheng International. Other minority shareholders hold an aggregate amount of 56% of the shares in Tiancheng International without exercising controlling influence and do not qualify as persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG. In connection with the Equity Financing (as defined in Section 14.2 of the Offer Document), Tiancheng International intends to issue, if appropriate at such point in time, new shares to additional shareholders (the "Additional Tiancheng Shareholders") that will not exercise controlling influence over Tiancheng International or the Bidder and which do not qualify as persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG.

The sole shareholder of Tiancheng Fortune is Creat Tiancheng Investment Holdings Co., Ltd., a private limited liability company under the laws of the People's Republic of China with registered office in Nanchang, People's Republic of China, registered under China uniform social credit code 91360106742602991X ("Creat Tiancheng").

Creat Group Co., Ltd., a private limited liability company under the laws of the People's Republic of China with registered office in Nanchang, People's Republic of China,
registered under China uniform social credit code 913601061583459064 ("Creat Group") has a direct shareholding of 40% in Creat Tiancheng and an indirect shareholding of 10% in Creat Tiancheng via its fully owned subsidiary Guangcai Industry LLC, a limited liability company under the laws of the People's Republic of China with registered office in Beijing, People's Republic of China, registered under China uniform social credit code 91110105101192486M. Creat Group exercises controlling influence in Creat Tiancheng. Other minority shareholders hold an aggregate amount of 50% of the shares in Creat Tiancheng without exercising controlling influence and do not qualify as persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG.

The shareholders of Creat Group are three individual persons. Yuewen Zheng holds 54% of the shares in Creat Group and exercises controlling influence in Creat Group (Yuewen Zheng together with Creat Group and Creat Group's direct and indirect subsidiaries, "Creat"). The two minority shareholders hold an aggregate amount of 46% of the shares in Creat Group without exercising controlling influence and do not qualify as persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG.

2.3 Information about Tiancheng International

Pursuant to Section 6.2.1 of the Offer Document, Tiancheng International is a private company limited by shares under the laws of Hong Kong with registered office in Hong Kong, Hong Kong Special Administrative Region of the People's Republic China, registered in the companies registry of Hong Kong SAR under registration number 2376390. The share capital of Tiancheng International amounts to RMB 10,000,000,000. The business address of Tiancheng International is at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, Hong Kong Special Administrative Region of the People's Republic China.

Tiancheng International is a holding company with the purpose of administration, holding, acquisition and disposal of participations in companies.

The board of directors of Tiancheng International consists of the following members:

• Kieu Hoang, director since January 2017;
• Jingzu Li, director since January 2017;
• Yuk Ng, director since May 2016;
• Tan Yang, director since May 2016; and
• Huifang Zhang, director since January 2017.

2.4 Information about Tiancheng Fortune

Pursuant to Section 6.2.2 of the Offer Document, Tiancheng Fortune is a private company limited by shares under the laws of Hong Kong with registered office in Hong Kong, Hong Kong Special Administrative Region of the People's Republic China, registered in the companies registry of Hong Kong SAR under registration number 2376795. The share capital of Tiancheng Fortune consists of one issued share with a nominal amount of HKD 1.00. The business address of Tiancheng Fortune is at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, Hong Kong Special Administrative Region of the People's Republic China.

Tiancheng Fortune is a holding company with the purpose of administration, holding, acquisition and disposal of participations in companies.

The board of directors of Tiancheng Fortune consists of the member Yuk Ng, director since May 2016.
2.5 **Information about Creat Tiancheng**

Pursuant to Section 6.2.3 of the Offer Document, Creat Tiancheng is a private limited liability company under the laws of the People's Republic of China with registered office in Nanchang, People's Republic of China, registered under China uniform social credit code 91360106742602991X. The share capital of Creat Tiancheng amounts to RMB 520,000,000. The business address of Creat Tiancheng is at 8/F, Tower 1, Fortune Tower, no. 4 Huixin East Street, Chaoyang District, Beijing, People's Republic of China.

Creat Tiancheng is a professional investment holding company in the biopharmaceuticals industry. It is invested in China's largest listed blood products company, Shanghai RAAS Blood Products Co., Ltd. and in 2016 acquired Bio Products Laboratory ("BPL"), a UK-based manufacturer of plasma-derived protein therapies. Creat Tiancheng has 21 employees.

The board of directors of Creat Tiancheng consists of the following members:

- Yuewen Zheng, chairman since April 2016;
- Yuk Ng, executive chairman since April 2016;
- Mingzhang Lin, director since April 2016;
- Lingshan Zeng, director since April 2016;
- Heng Guo, director since April 2016;
- Yonghong Mao, director since April 2016; and
- Kequn Yuan, director since April 2016.

2.6 **Information about Creat Group**

Pursuant to Section 6.2.4 of the Offer Document, Creat Group is a private limited liability company under the laws of the People's Republic of China with registered office in Nanchang, People's Republic of China, registered under China uniform social credit code 913601061583459064. The share capital of Creat Group amounts to RMB 130,000,000. The business address of Creat Group is at 8/F, Tower 1, Fortune Tower, no. 4 Huixin East Street, Chaoyang District, Beijing, People's Republic of China.

Creat Group was founded in September 1991 and is mainly focused on equity investments across biopharmaceuticals, financial services, manufacturing, agriculture, mining and other industries. In 2013, Creat Group, together with its direct and indirect subsidiaries, underwent a strategic transformation and strategic refocus, switching from a pure investment group to an industrial operations group. It identified the plasma products industry as a cornerstone of its future development and decided to globally integrate its efforts in this field by committing both personnel and financial resources. Creat Group is committed to long-term operations in this sector and, more broadly, the development of global biopharma. Creat Group has 51 employees.

Creat Group's board of directors consists of the following members:

- Yuewen Zheng, chairman since November 2012;
- Yuk Ng, vice chairman since November 2012;
- Mingzhang Lin, director since November 2012; and
- Jinghan Ge, director since November 2012.


2.7 **Information about Yuewen Zheng**

Pursuant to Section 6.2.5 of the Offer Document, Mr. Yuewen Zheng was born in January 1962 and is Creat Group's founder and chairman of the board of directors. His business address is at 8/F, Tower 1, Fortune Tower, no. 4 Huixin East Street, Chaoyang District, Beijing, People's Republic of China.

Currently, Mr. Zheng also holds positions as chairman of the China Chamber of Commerce for Private Economic Cooperation, chairman of China-Africa Business Council for the Private Sector, chairman of General Chamber of Commerce for Jiangxi's Merchants, executive director of China Glory Society, executive vice president of China Non-Governmental Science Technology Entrepreneurs Association, and chairman of Jiangxi Chamber of Commerce in Beijing. Mr. Zheng holds a PhD degree in Financing.

Mr. Zheng has been awarded the Outstanding Chinese Private Science and Technology Entrepreneur, Outstanding Chinese Private Entrepreneur, Innovators of China's 30 Years of Reform and Opening Up and other honorary titles.

Besides his shareholdings in Creat Group, Mr. Zheng holds 86% of the shares in Beijing Jiangxi's Merchants Investment Co., Ltd., a private limited company under the laws of the People's Republic of China with registered office in Beijing, People's Republic of China, registered under China uniform social credit code 110000013897015 with registered business address at 19/F, no. 2A, Wangjing-Zhonghuannan Road, Chaoyang District, Beijing, China ("Beijing Jiangxi's Merchants") and exercises controlling influence in Beijing Jiangxi's Merchants.

2.8 **Persons acting jointly with the Bidder**

The companies and persons set forth in Part 1 and 2 of Annex 2 to the Offer Document are persons acting jointly with the Bidder within the meaning of Section 2 para. 5 sentence 1 and sentence 3 WpÜG at the time of the publication of the Offer Document. The companies and persons outlined in Part 1 of Annex 2 to the Offer Document are directly or indirectly controlling the Bidder (the Bidder Parent Shareholders) at the time of the publication of the Offer Document. The companies outlined in Part 2 of Annex 2 are further (indirect) subsidiaries of the Bidder Parent Shareholders which, in each case, are not persons that control the Bidder.

Upon conclusion of the Business Combination Agreement (as defined in Section 8.2 of the Offer Document) and the agreed cooperation therein with regard to the future business activity of Biotest, Biotest is considered to be a person acting jointly with the Bidder in accordance with Section 2 para. 5 WpÜG.

Beyond this, Pursuant to Section 6.3 of the Offer Document, there are no further persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG.

2.9 **Biotest Shares currently held by the Bidder or by persons acting jointly with the Bidder and their subsidiaries; attribution of voting rights**

Pursuant to Section 6.4 of the Offer Document, neither the Bidder nor persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG nor their subsidiaries hold Biotest Shares or voting rights based on Biotest Shares and no voting rights based on Biotest Shares are attributable to them in accordance with Section 30 WpÜG.

3. **IRREVOCABLE UNDERTAKING**

On 7 April 2017, the Bidder and Tiancheng International entered into an irrevocable undertaking with OGEL GmbH, a German limited liability company (Gesellschaft mit beschränkter Haftung) with its statutory seat in Frankfurt am Main, Germany, registered
with the commercial register (Handelsregister) of the local court (Amtsgericht) of Frankfurt am Main under HRB 82205, as the controlling shareholder of Biotest, pursuant to which OGEL GmbH undertakes to accept the Offer and to tender and transfer all of its Biotest Ordinary Shares to the Bidder in accordance with the terms and conditions set out in the Offer Document (die "Irrevocable Undertaking"). As of 7 April 2017, OGEL GmbH held 10,013,417 or 50.61% of Biotest Ordinary Shares, which corresponds to 50.61% of the voting rights and 25.3% of the share capital of Biotest. The Irrevocable Undertaking is considered a financial instrument, subject to the notification obligations pursuant to Sections 25, 25a WpHG. The conclusion of the Irrevocable Undertaking is attributable to the Bidder Parent Shareholders pursuant to Section 25 para. 1 no. 2 WpHG. In the meantime, OGEL GmbH accepted the Offer for all of its Biotest Ordinary Shares. This has been reflected in the water level announcement (announcement in accordance with Section 23 para. 1 sentence 1 no. 1 WpÜG) published on 26 May 2017.

Pursuant to Section 6.4 of the Offer Document, neither the Bidder nor persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG nor their subsidiaries hold other than the aforementioned financial instruments or voting rights in relation to Biotest, nor are any voting rights resulting from such attributable to them.

4. INFORMATION ABOUT SECURITIES ACQUISITIONS

Pursuant to Section 6.5 of the Offer Document, besides the Irrevocable Undertaking, neither the Bidder nor persons acting jointly with the Bidder within the meaning of Section 2 para 5 WpÜG nor their subsidiaries have acquired Biotest Shares nor concluded any agreement for the acquisition of Biotest Shares during the six-month period prior to 7 April 2017 (the day of the publication of the decision to make the Offer) until 18 May 2017 (the day of the publication of the Offer Document).

5. POSSIBLE FUTURE ACQUISITIONS

Pursuant to Section 6.6 of the Offer Document, the Bidder reserves the right, within the limits of the law, to acquire, directly or indirectly, additional Biotest Shares outside of the Offer on or off the stock exchange. Any such purchases or arrangements to purchase Biotest Shares will be made in compliance with applicable laws.

Any information about such potential acquisitions, including the number and price of the acquired Biotest Shares, will be published in accordance with the applicable statutory provisions, especially Section 23 para. 2 WpÜG in conjunction with Section 14 para. 3 sentence 1 WpÜG, in the Federal Gazette (Bundesanzeiger) and on the internet at http://www.tiancheng-germany-pharmaceutical-angebot.de. Corresponding information will also be published by way of an English translation at http://www.tiancheng-germany-pharmaceutical-angebot.de.

III. INFORMATION ABOUT THE OFFER

In the following some selected information, exclusively taken from the Offer Document or from publications of the Bidder about the Offer, will be summarised. As explained in more detail in Section III.9 of this Statement, for their decision regarding acceptance or rejection of the Offer, Biotest Shareholders should carefully review the Offer Document and not rely on the following summary of the offer conditions.

1. IMPLEMENTATION OF THE OFFER

The Offer is being implemented by the Bidder in the form of a voluntary public takeover offer (cash offer) for the acquisition of all Biotest Shares pursuant to Section 29 para. 1 WpÜG. The Offer shall be implemented as a takeover offer under German Law, particularly the WpÜG and the Offer Regulation of the German Securities Acquisition and Takeover Act (Angebotsverordnung zum Wertpapiererwerbs- und Übernahmegesetz,
"WpÜG Offer Regulation"). The Management Board and the Supervisory Board have not performed their own review of the Offer regarding compliance with the relevant legal regulations.

2. **PUBLICATION OF THE DECISION TO SUBMIT THE OFFER**

The Bidder published its decision to submit the Offer pursuant to Section 10 para. 1 sentence 1 WpÜG on 7 April 2017. The publication is available to download on the Internet at http://www.tiancheng-germany-pharmaceutical-angebot.de.

3. **REVIEW BY THE GERMAN FEDERAL FINANCIAL SUPERVISORY AUTHORITY (BAFIN) AND PUBLICATION OF THE OFFER DOCUMENT**

According to the details under Sections 1.4 and 11.4 of the Offer Document and the information provided by the Bidder, the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin") approved the publication of the Offer Document on 17 May 2017. In the Offer Document, the Bidder states that, other than in the Federal Republic of Germany, no further registrations, authorizations, or approvals of the Offer Document or the Offer have been initiated or applied for.

According to Section 1.5 of the Offer Document, the Bidder published the Offer Document on 18 May 2017 by (i) publication on the Internet at http://www.tiancheng-germany-pharmaceutical-angebot.de as well as (ii) keeping copies available for distribution free of charge at Baader Bank Aktiengesellschaft, Weißenstephaner Str. 4, 85716 Unterschleißheim, Fax: +49 (0) 89 5150 291400 ("Central Settlement Agent"). According to the Offer Document, the notice of advice regarding availability of the Offer Document from the Central Settlement Agent and the Internet address at which the Offer Document is published was published in the Federal Gazette (Bundesanzeiger) on 18 May 2017. In addition, the Bidder made available a non-binding English translation of the Offer Document, which has not been reviewed by BaFin, at http://www.tiancheng-germany-pharmaceutical-angebot.de.

Under Section 1.5 of the Offer Document, the Bidder points out that the publication, sending, distribution or dissemination of the Offer Document outside of the Federal Republic of Germany may fall under the scope of legal provisions of jurisdictions other than those of the Federal Republic of Germany in which the publication, sending, distribution or dissemination of the Offer Document may be subject to legal restrictions. Therefore, the Offer Document may not be sent by third parties to other countries or be sent, published, distributed, or disseminated in other countries, in which such sending, publication, distribution or dissemination would be illegal. The Bidder has not given its permission for the dispatch, publication, distribution or dissemination of the Offer Document outside the Federal Republic of Germany, the member states of the European Union and the European Economic Area and the United States. Therefore, custodian investment service providers may not publish, dispatch, distribute or disseminate the Offer Document outside the Federal Republic of Germany, the member states of the European Union and the European Economic Area and the United States unless in compliance with all applicable domestic and foreign statutory provisions.

4. **ACCEPTANCE OF THE OFFER OUTSIDE OF THE FEDERAL REPUBLIC OF GERMANY**

The Offer may be accepted by all domestic and foreign Biotest Shareholders in accordance with the terms outlined in the Offer Document and the applicable statutory provisions. However, under Section 1.6 of the Offer Document, the Bidder points out that the acceptance of the Offer outside of the Federal Republic of Germany, the member states of the European Union and the European Economic Area or the United States may be subject to certain legal restrictions as a result of local regulations. Biotest Shareholders who come into possession of the Offer Document outside of the Federal Republic of Germany, the member states of the European Union and the European Economic Area or the United
States, who wish to accept the Offer outside of the Federal Republic of Germany, the member states of the European Union and the European Economic Area or the United States and/or who are subject to legal provisions other than those of the Federal Republic of Germany, the member states of the European Union and the European Economic Area or the United States are advised to inform themselves of the relevant applicable legal provisions and to comply with them. Under Section 1.6 of the Offer Document, the Bidder points out that it assumes no responsibility for acceptance of the Offer outside of the Federal Republic of Germany, the member states of the European Union and the European Economic Area or the United States being permissible under the relevant applicable legal provisions.

5. BACKGROUND OF THE OFFER

According to information in Section 8.1 of the Offer Document, the economic and strategic rationale of the Offer is the objective to strengthen and expand Biotest’s global competitiveness by continuing to develop new products, further pursuing existing projects such as Biotest Next Level (BNL Project) as well as by expanding its international presence. Pursuant to Section 8.1 of the Offer Document, the Bidder and Creat will provide the financial support to achieve Biotest’s long-term objectives and continue corresponding substantial investments in products and facilities required over the coming years. The Bidder and Creat could help Biotest in a period of transformation and provide additional financial support to execute Biotest’s medium to long-term strategy which otherwise would have been more challenging to achieve as a standalone company. The Bidder and Creat will together with Biotest determine the key focus areas for prioritized research, development and growth beyond the BNL Project. In the future, existing products and products to be produced in accordance with Biotest’s BNL strategy can additionally be sold internationally through the sales network of Tiancheng International existing indirectly through its subsidiaries.

The Bidder and Creat believe that the combination with Biotest (collectively the “Combined Group”) will support the further development of their businesses and contribute significantly to the value of Creat’s and Biotest’s business. In particular, the Combined Group shall expand its position as a leading player in the global plasma industry by continuing to develop new products, by maintaining the highest quality standards, by continuing to pursue existing expansion projects and by expanding the international presence of the Combined Group.

Apart from that, the Bidder has not yet evaluated further synergy potential between Creat and Biotest. Neither Tiancheng International nor the Bidder have yet assessed or calculated the possible impact of the realization of potential synergies on their businesses and/or the business of Biotest. Neither the Management Board, nor the Supervisory Board of Biotest have yet done any assessment either.

On 7 April 2017, the Bidder published its decision to launch the Offer in accordance with Section 10 para. 1 sentence 1 WpÜG and initiated the legally prescribed proceedings on the existing voluntary public takeover offer for the acquisition of Biotest Shares.

6. BUSINESS COMBINATION AGREEMENT

On 7 April 2017, the Bidder, Tiancheng International and Biotest entered into a business combination agreement (the “Business Combination Agreement”) which stipulates the principal terms and conditions of the Offer as well as the mutual intentions with regard to the Offer. The material terms of the Business Combination Agreement can be summarized as follows:
6.1 **Material terms of the Offer**

In the Business Combination Agreement, the Bidder agreed to submit an offer based on the cash consideration as set forth in Section 4 of the Offer Document and the Offer Conditions described in Section 12.1 of the Offer Document.

6.2 **Support of the Offer**

The Management Board and the Supervisory Board of Biotest agreed, to the extent legally possible and subject to applicable law and their fiduciary duties, that they will welcome and support the Offer and will recommend the acceptance thereof in their statement pursuant to Section 27 para. 1 WpÜG. Such undertaking is subject to a receipt of a fully financed competing offer by a third party which the Management Board of the Company determines to be more favorable than the Offer. In such a case, Biotest would have the right to terminate the Business Combination Agreement unless the Bidder exercises its right to amend its Offer in such a way that the amended Offer would be at least as or more favorable to Biotest than the competing offer.

The parties to the Business Combination Agreement have also agreed to cooperate with each other in all respects relating to the Offer, in particular with regard to obtaining the necessary merger control approvals.

6.3 **Annual general meeting**

The parties to the Business Combination Agreement agreed that Biotest shall procure, to the extent legally possible, that the annual general meeting for the financial year 2016 will be postponed until after the settlement of the Offer. If the settlement of the Offer would not occur prior to 31 August 2017, Biotest will determine a date for the annual general meeting for the financial year 2016 in consultation with the Bidder.

It is currently intended that the annual general meeting 2017 of Biotest takes place on 30 August 2017 at 10:30 am in Alte Oper, Opernplatz, 60313 Frankfurt am Main, Germany.

6.4 **Undertakings towards the Company**

The Bidder and Tiancheng International made a commitment towards the Company to ensure, to the extent legally possible, that during the term of the Business Combination Agreement and until a squeeze-out has been registered with the commercial register of the Company, Biotest or any Biotest Group member will not be liquidated and that the Biotest's entire business or substantial parts thereof will not be sold to any third party (excluding affiliated companies of the Bidder or Tiancheng International). Furthermore, the Bidder and Tiancheng International made a commitment to maintain Biotest in the legal form of a German stock corporation (Aktiengesellschaft).

Further undertakings relate to maintaining the corporate name of the Company and brand and product names to the extent they refer to the brand or corporate name as well as the corporate seat in Dreieich. Know-how, technologies and key staff can only be transferred to the extent not jeopardizing existing operations and the success of the BNL Project and only on arm's length terms.

Moreover, the Bidder and Tiancheng International made a commitment towards the Company not to modify the existing shop agreements (Betriebsvereinbarungen), collective bargaining agreements (Tarifverträge) and incentive schemes (Mitarbeiterbeteiligungsprogramme), to adhere to employee co-determination and to maintain the employment levels in accordance with Biotest’s business plan.
6.5 **Future cooperation**

The parties to the Business Combination Agreement agreed on certain guiding principles in relation to the proposed cooperation between the Bidder on the one side and Biotest on the other side.

Please refer to Section 9 of the Offer Document and Section V.1 of this Statement for further details on the Bidder’s intentions agreed between the parties of the Business Combination Agreement and stipulated in the Business Combination Agreement.

Biotest committed itself in the Business Combination Agreement to not propose any change in its articles of association, certificates of incorporation, bylaws or other constituent documents or to permit any member of the Biotest Group to do so until the settlement of the Offer, unless required by law, recommended with respect to legal changes or agreed between the parties of the Business Combination Agreement.

In addition, Biotest shall not, and shall not permit any member of the Biotest Group to increase its share capital, issue convertible bonds and/or any securities or instruments convertible into shares, start any share repurchase program, carry out any equity or equity-linked transactions that would increase the maximum expected Offer Costs (as described in Section 14.1 of the Offer Document) or propose to the general meeting to sell or otherwise dispose of, or transfer or encumber any treasury shares or to permit any member of the Biotest Group to do so.

Neither Biotest nor any member of the Biotest Group shall enter into any new commitments to any research and development projects above EUR 1.000.000. Existing research and development projects which have not been initiated yet shall only be started after Creat Tiancheng has been given the opportunity to conduct due diligence. Also, neither Biotest nor any member of the Biotest Group shall conclude any new binding partnerships that would restrict Biotest from selling or competing in any specific market or commit to future obligations requiring Biotest to invest in projects above EUR 2,000,000 unless already approved by the Supervisory Board.

It has been further agreed in the Business Combination Agreement that in case of a material breach of certain obligations stipulated in the Business Combination Agreement (as inter alia described in Section 8.2 of the Offer Document) by the Bidder or Tiancheng International, Tiancheng International shall pay all external and transactional costs and proven damages to Biotest. On the other hand, Biotest shall pay all external and transactional costs and proven damages of Tiancheng International if Biotest breaches its obligations stipulated in the Business Combination Agreement to support the Offer (as described in Section 8.2.2 of the OfferDocument).

6.6 **Term of the Business Combination Agreement**

The Business Combination Agreement has a fixed term of five years. Each party has the right to terminate the Business Combination Agreement for cause.

7. **MAIN CONTENT OF THE OFFER**

7.1 **Subject matter of the offer**

Pursuant to the terms and conditions of the Offer, the Bidder is offering to acquire from all Biotest Shareholders no-par value bearer Biotest Ordinary Shares (ISIN DE0005227201) held by them and no-par value bearer Biotest Preference Shares held by them (ISIN DE0005227235), with a proportional amount in the share capital of Biotest of EUR 1.00 each, including all ancillary rights existing at the time of settlement of the Offer.
7.2 **Offer Price**

As a consideration, the Bidder is offering the Biotest Ordinary Shareholders EUR 28.50 per Biotest Ordinary Share and the Biotest Preference Shareholders EUR 19.00 per Biotest Preference Share.

7.3 **Acceptance Period and Additional Acceptance Period**

The period for acceptance of the Offer started with the publication of the Offer Document on 18 May 2017 and ends on 15 June 2017, 24:00 hrs (local time Frankfurt)/18:00 hrs (local time New York) ("Acceptance Period"). Under the circumstances listed below, the Acceptance Period for the Offer shall extend automatically, as follows:

- The Bidder may amend the Offer up to one working day (Werktag) before expiry of the Acceptance Period in accordance with Section 21 WpÜG. In the event of an amendment to the Offer in accordance with Section 21 WpÜG, the Acceptance Period pursuant to Section 5.1 of the Offer Document will be extended by two weeks if publication of the amendment takes place within the last two weeks before expiry of the Acceptance Period (Section 21 para. 5 WpÜG), i.e. until 29 June 2017, 24:00 hrs (local time Frankfurt am Main)/18:00 hrs (local time New York). This shall apply even if the amended Offer is prohibited or contravenes statutory provisions.

- If a competing offer is made by a third party (the "Competing Offer") during the Acceptance Period of the Offer and if the Acceptance Period for the present Offer expires prior to expiry of the acceptance period for the Competing Offer, the Acceptance Period for the present Offer shall be extended to correspond to the expiry date of the acceptance period for the Competing Offer (Section 22 para. 2 WpÜG). This shall apply even if the Competing Offer is amended or prohibited or contravenes statutory provisions.

- If a general meeting (Hauptversammlung) of Biotest is convened in connection with the Offer following publication of the Offer Document, the Acceptance Period will be extended in accordance with Section 16 para. 3 WpÜG to ten weeks after publication of the Offer Document. The Acceptance Period would then end on 27 July 2017, 24:00 hrs (local time Frankfurt am Main) / 18:00 hrs (local time New York).

The period for acceptance of the Offer, including all extensions of such period in accordance with the provisions of the WpÜG (but excluding the Additional Acceptance Period described in Section 5.3 of the Offer Document), is uniformly referred to as the "Acceptance Period" in the Offer Document. The Bidder will publish each extension of the Acceptance Period in accordance with the statements in Section 21 of the Offer Document. With regard to the right of withdrawal in the event of an amendment to the Offer or the launching of a Competing Offer, please refer to the statements contained in Section 17 of the Offer Document.

Biotest Shareholders that have not accepted the Offer within the Acceptance Period can still accept the Offer within two weeks after publication of the results of the Offer by the Bidder in accordance with Section 23 para. 1 sentence 1 no. 2 WpÜG (the "Additional Acceptance Period"), provided none of the Offer Conditions set forth in Section 12.1 of the Offer Document have ultimately lapsed as at the end of the Acceptance Period and such condition has not been effectively waived in advance. This means that the Offer can only be accepted during the Additional Acceptance Period if, in particular, the minimum acceptance threshold (please refer to Section 12.1.4 of the Offer Document) has been met as of the end of the Acceptance Period. After the end of the Additional Acceptance Period, the Offer cannot be accepted anymore unless sell-out rights in accordance with Section 39c WpÜG (as further described in Section 16(h) of the Offer Document) exists. Subject to an extension of the Acceptance Period pursuant to Section 5.2 of the Offer Document,
the Additional Acceptance Period will presumably begin on 22 June 2017 and end on 5 July 2017, 24:00 hrs (local time Frankfurt am Main) / 18:00 hrs (local time New York).

7.4 **Offer Conditions**

Pursuant to Section 12.1 of the Offer Document, the Offer and the contracts to be entered into with the Biotest Shareholders as a result of the acceptance of the Offer are subject to the following conditions ("Offer Conditions"): 

(a) **Merger control approval**

Starting with the date of publication of the Offer Document and by no later than 20 January 2018, the Turkish Competition Board has approved the Transaction or the Transaction is deemed to have been approved under applicable law.

(b) **Foreign investment control approval under AWG**

Starting with the date of publication of the Offer Document and by no later than 20 January 2018, the Federal Ministry for Economic Affairs and Energy ("BMWi") shall have issued a clearance certificate (Unbedenklichkeitsbescheinigung) pursuant to the provisions of the German Foreign Trade and Payments Act ("AWG") and the German Foreign Trade Ordinance, ("AWV"), or the period during which the BMWi may prohibit the Transaction or issue orders in relation to the Transaction under AWG and AWV has expired without any such action being taken.

(c) **Foreign investment control approval by the Committee on Foreign Investment in the United States ("CFIUS")**

The Transaction is subject to review under the Exon-Florio Amendment to the Defense Production Act of 1950, 50 U.S. app. § 2170, as amended, ("Exon-Florio") by CFIUS. Under Exon-Florio, the President of the United States is authorized to prohibit or suspend acquisitions, mergers or takeovers by foreign persons of (legal) persons engaged in interstate commerce in the United States if the President of the United States determines, after investigation, that such foreign persons, in exercising control of such acquired (legal) persons, might take action that threatens to impair the national security of the United States and that other provisions of existing law do not provide adequate authority to protect national security. For further details, please refer to Section 11.2.2 of the Offer Document.

Starting with the date of publication of the Offer Document and by no later than 20 January 2018, CFIUS Approval shall have been obtained. "CFIUS Approval" means

(i) a written notification issued by CFIUS that it has concluded its review (or, if applicable, investigation) pursuant to Exon-Florio and determined that

(i) the Transaction is not a "covered transaction" pursuant to Exon-Florio or

(ii) there are no unresolved national security concerns with respect to the Transaction, or

(ii) if CFIUS has sent a report to the President of the United States requesting the President of the United States' decision with respect to the Transaction, either (i) the period under Exon-Florio during which the President of the United States may announce his decision to take action to suspend or prohibit the Transaction has expired, or (ii) the President of the United States has announced a decision not to take any action to suspend or prohibit the Transaction.
(d) Minimum Acceptance Threshold

At the expiry of the Acceptance Period, the total sum of Biotest Ordinary Shares,

(i) for which the acceptance of the Offer has been effectively declared and no withdrawal from the contract concluded by the end of the Acceptance Period has been effectively declared,

(ii) held directly by the Bidder or a person acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG,

(iii) attributable to the Bidder or Bidder Parent Shareholders in application of Section 30 WpÜG at the expiry of the Acceptance Period, as well as

(iv) for which the Bidder or a person acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG have concluded an agreement outside of the Offer Document, which entitles them to the transfer of title to these Biotest Ordinary Shares,

is equivalent to at least 75% of the Biotest Ordinary Shares outstanding at the expiry of the Acceptance Period (this corresponds to 14,839,295 Biotest Ordinary Shares at the time of publication of the Offer Document), whereby the Biotest Ordinary Shares which are subject to several of the preceding paragraphs (i) to (iv) are taken into account only once.

7.5 Nonfulfillment of the Offer Conditions; waiver of Offer Conditions

The Offer Conditions set out in Sections 7.4(a) through 7.4(d) and in Sections 12.1.1 through 12.1.4 of the Offer Document each constitute independent and separable conditions. The Bidder may waive all or individual Offer Conditions in advance – to the extent permissible – in accordance with Section 21 para. 1 sentence 1 no. 4 WpÜG up to one business day prior to the expiry of the Acceptance Period. The waiver is equivalent to the fulfillment of the relevant Offer Condition. If the Bidder waives Offer Conditions within the last two weeks prior to expiry of the Acceptance Period, the Acceptance Period will be extended by two weeks (Section 21 para 5 WpÜG), i.e. until 29 June 2017, 24:00 hrs (local time Frankfurt am Main) / 18:00 hrs (local time New York).

If the Offer Conditions specified in Section 7.5 of this Statement and in Section 12.1 of the Offer Document have either not occurred until the applicable date or have definitively failed before these dates and the Bidder has not previously effectively waived them, the Offer shall lapse. In this case, the contracts which come into existence with provisional effect as a result of accepting the Offer will not become effective and will not be consummated; delivered Biotest Shares will be returned. The Central Settlement Agent (as defined in Section 13.1 of the Offer Document), will promptly, at the latest within four Banking Days after announcement of the expiry of the Offer, order the rebooking of the Tendered Biotest Ordinary Shares (ISIN DE000A2E4TS2) to ISIN DE0005227201 and the rebooking of the Tendered Biotest Preference Shares (ISIN DE000A2E4TV6) to ISIN DE0005227235 by the Custodian Banks through Clearstream Banking AG. The rebooking shall generally be free of costs and expenses of the Custodian Banks for the Biotest Shareholders who hold their Biotest Shares in a securities deposit account in the Federal Republic of Germany. Any foreign taxes or costs and fees of foreign Custodian Banks that do not have securities deposit account connections with Clearstream Banking AG must, however, be paid by the respective Biotest Shareholders.

Pursuant to Section 12.3 of the Offer Document, the Bidder will promptly announce on the internet at http://www.tiancheng-germany-pharmaceutical-angebot.de (in German and in a non-binding English translation) and in the Federal Gazette (Bundesanzeiger) if (i) an Offer Condition has been effectively waived, (ii) an Offer Condition has been fulfilled,
(iii) all Offer Conditions have either been fulfilled or have been effectively waived or (iv) the Offer is not consummated because an Offer Condition has finally not been fulfilled or lapsed. Likewise, the Bidder will promptly announce at the end of the Acceptance Period, as part of the publication according to Section 23 para. 1 no. 2 WpÜG, which of the Offer Conditions named in Section 12.1 of the Offer Document have been fulfilled by such time.

7.6 **Stock exchange trading with Tendered Biotest Shares**

Pursuant to Section 13.9 of the Offer Document, the tendered Biotest Ordinary Shares (the "Tendered Biotest Ordinary Shares") and the tendered Biotest Preference Shares (the "Tendered Biotest Preference Shares", together with the Tendered Biotest Ordinary Shares, the "Tendered Biotest Shares") can be traded on the regulated market of the Frankfurt Stock Exchange (Prime Standard) under ISIN DE000A2E4TS2 or respectively under ISIN DE000A2E4TV6. Trading will presumably start on the third Banking Day after the commencement of the Acceptance Period. Trading with the Tendered Biotest Shares on the regulated market of the Frankfurt Stock Exchange will be suspended (i) at the end of the last day of the Acceptance Period if all Offer Conditions (as defined in Section 12.1 of the Offer Document) have been met or effectively waived or (ii) at the end of the third stock exchange trading day directly preceding the settlement of the Offer.

The acquirers of Tendered Biotest Ordinary Shares traded under ISIN DE000A2E4TS2 and of Tendered Biotest Preference Shares traded under ISIN DE000A2E4TV6 assume all rights and obligations arising from the contracts concluded by accepting the Offer with respect to these Biotest Shares. The Bidder points out that trading volumes and liquidity of the Tendered Biotest Shares depend on the specific acceptance rate and therefore may not exist at all or may be low and may be subject to heavy fluctuations. Therefore, it cannot be ruled out that, in the absence of demand, it will be impossible to sell Tendered Biotest Shares on the stock exchange.

Stock exchange trading during the Additional Acceptance Period is not generally provided. However, such trading will take place if the merger control approval and foreign investment control approvals have not occurred by the end of the Acceptance Period.

The modalities for acceptance and settlement of the Offer are described under Section 13 of the Offer Document.

7.7 **Settlement**

Pursuant to Section 11.1 of the Offer Document, the planned acquisition of Biotest Shares by the Bidder by means of the Offer requires a merger control approval by competent authorities in Turkey and the United States.

Pursuant to Section 11.3.2 of the Offer Document, the merger control approval in the United States was granted on 4 May 2017, prior to the publication of the Offer Document, due to an early termination of the waiting period.

7.8 **Applicable law**

Pursuant to Section 22 of the Offer Document, the Bidder's Offer and the contracts concluded as a result of acceptance of the Offer between the Biotest Shareholders and the Bidder shall be governed by German law. The exclusive place of jurisdiction for all legal disputes arising out of, or in connection with, the Offer (and any contract concluded as a result of acceptance of the Offer) shall be, to the extent permitted by law, Frankfurt am Main, Germany.
7.9 **Publications**

Pursuant to Section 21 of the Offer Document, the Bidder will publish all publications and announcements required according to the WpÜG or the applicable capital market law provisions of the United States in connection with the Offer on the internet at [http://www.tiancheng-germany-pharmaceutical-angebot.de](http://www.tiancheng-germany-pharmaceutical-angebot.de) (in German and in a non-binding English translation) and, to the extent necessary pursuant to the WpÜG, in the Federal Gazette (*Bundesanzeiger*).

The Bidder will publish the notifications pursuant to Section 23 para. 1 WpÜG as follows:

- on a weekly basis after publication of the Offer Document (Section 23 para. 1 sentence 1 no. 1 WpÜG),
- on a daily basis during the final week prior to the expiry of the Acceptance Period (Section 23 para. 1 sentence 1 no. 1 WpÜG),
- without undue delay after expiry of the Acceptance Period (Section 23 para. 1 sentence 1 no. 2 WpÜG),
- without undue delay after expiry of the Additional Acceptance Period (Section 23 para. 1 sentence 1 no. 3 WpÜG), and
- without undue delay after having reached the shareholding required to exclude the other shareholders under Section 39a para. 1 and para. 2 WpÜG.

Publications of the Bidder pursuant to Section 23 paras. 1 and 2 WpÜG, as well as additional publications and announcements in connection with the Offer, which are required under the WpÜG, will be published in German and in a non-binding English translation on the internet at [http://www.tiancheng-germany-pharmaceutical-angebot.de](http://www.tiancheng-germany-pharmaceutical-angebot.de). In addition, announcements and notices will be published in German in the Federal Gazette (*Bundesanzeiger*).

8. **FINANCING OF THE OFFER**

Pursuant to Section 14.2 of the Offer Document, prior to publication of the Offer Document, the Bidder has taken the necessary measures to ensure that the financial means, which are required to completely perform the Offer, are at its disposal at the time the claim for the consideration pursuant to the terms and conditions of the Offer falls due.

8.1 **Offer Costs**

According to the details provided for by the Bidder under Section 14.1 of the Offer Document, if the Offer was accepted by all Biotest Shareholders, the Bidder would have to pay a total of EUR 939,821,985 as aggregate Offer Price for the acquisition of all 39,571,452 Biotest Shares (i.e. the Offer Price of EUR 28.50 per Biotest Ordinary Share multiplied by 19,785,726 Biotest Ordinary Shares and the Offer Price of EUR 19.00 per Biotest Preference Share multiplied by 19,785,726 Biotest Preference Shares) (the "**Offer Costs**").

The Bidder will not incur transaction costs since the transaction costs will be borne by Tiancheng International.

8.2 **Financing measures**

Pursuant to Section 14.2 of the Offer Document, the Bidder has taken the following measures to ensure the financing:
On 4 May 2017, the Bidder, as borrower, has entered into a facility agreement with, amongst others, China Merchants Bank Co., Ltd. Offshore Banking Center as mandated lead arranger, agent and security agent (the "Facility Agreement"). The Facility Agreement provides for a loan facility in an aggregate amount of EUR 940,000,000 (the "Initial Total Commitments") which shall be primarily used to finance the acquisition of all Biotest Shares to be acquired under the Offer (the "Facility"). China Merchants Bank Co., Ltd. Offshore Banking Center is a financing provider which is part of China Merchants Bank Co., Ltd. The other lenders are branches of China Merchants Bank Co., Ltd.

The Facility has a term of two years from the date of the Facility Agreement. The rate of interest payable on a loan for each interest period will be the aggregate of 2.25% per annum plus LIBOR for Euro (and if LIBOR is less than zero than LIBOR shall be deemed to be zero). In addition, the Facility Agreement provides for customary events of default and representations and warranties.

The Bidder will be provided with equity via its sole shareholder Tiancheng International with an aggregate amount of not less than EUR 470 million by way of equity injection prior to the settlement of the Offer which shall reduce the amount to be drawn under the Facility (the "Equity Contribution"). The Equity Contribution to be made by Tiancheng International will be funded by its indirect shareholder Creat Tiancheng (through its wholly owned subsidiary Tiancheng Fortune) and/or the Additional Tiancheng Shareholders which will be identified by Creat Tiancheng prior to or after the settlement of the Offer and to which Tiancheng International will issue new shares (see also Section 6.2 of the Offer Document). None of the Additional Tiancheng Shareholders will hold the majority of the shares or the majority of the voting rights in Tiancheng International nor exercise controlling influence over Tiancheng International or the Bidder by other means and none of the Additional Tiancheng Shareholders will qualify as a person acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG. Once the Equity Contribution has been contributed, the total commitments of the Facility will be reduced to the lesser of (i) 50% of the amount required to fund the acquisition of all of the Biotest Shares to be acquired under the Offer or (ii) EUR 470,000,000 (the "Reduced Total Commitment"). If the Equity Contribution is not contributed prior to the settlement of the Offer, the total commitment under the Facility will remain as the Initial Total Commitments and, subject to the terms of the Facility Agreement, the Bidder will be entitled to utilize the Initial Total Commitment to finance the acquisition of all Biotest Shares to be acquired under the Offer. The amount of (i) the Initial Total Commitment under the Facility; or (ii) the Reduced Total Commitment under the Facility together with the Equity Contribution, (as applicable) exceeds the Offer Costs.

According to Section 14.2 of the Offer Document, the transaction costs in respect of the Offer will be paid by Tiancheng International. Under the Facility Agreement, Tiancheng International will be required to deposit in excess of RMB 500,000,000 (which, at current exchange rates, is around EUR 65,000,000) (the "Onshore Deposit") in an account of Tiancheng International with an affiliate of China Merchants Bank Co., Ltd. Offshore Banking Center in Hong Kong, Hong Kong Special Administrative Region of the People's Republic of China, and which will be secured in favor of the finance parties referred to in the Facility Agreement. However, Tiancheng International is permitted under the Facility Agreement and related financing to use such deposit towards funding the transaction costs in respect of the Offer.

8.3 Financing confirmation

Industrial and Commercial Bank of China Limited Frankfurt Branch, Frankfurt am Main, Germany, an investment service provider that is independent of the Bidder, confirmed in the letter dated 4 May 2017 pursuant to Section 13 para. 1 sentence 2 WpÜG that the Bidder has taken the necessary measures to ensure that the Bidder has the financial means necessary to completely satisfy the Offer at the time at which the claim for the cash consideration falls due. This letter is attached to the Offer Document as Annex 4.
9. DECISIVENESS OF THE OFFER DOCUMENT

For further information and details (particularly details regarding the Offer Conditions, the Acceptance Periods, the acceptance and implementation modalities and the legal rights of withdrawal), the Biotest Shareholders are referred to the statements in the Offer Document. The above information only summarizes individual information contained in the Offer Document. The description of the Offer in this Statement therefore is not intended to be exhaustive and the Statement should be read in respect of the Bidder's Offer together with the Offer Document. The provisions of the Offer Document are solely decisive for the content of the Offer and its settlement. Each Biotest Shareholder is responsible for acquainting himself with the Offer Document and taking any steps that might be necessary from his or her point of view.

IV. TYPE AND AMOUNT OF THE CONSIDERATION OFFERED

1. TYPE AND AMOUNT OF THE CONSIDERATION

The Bidder is offering an offer price, i.e., consideration pursuant to Section 27 para. 1 sentence 2 no. 1 WpÜG in the amount of EUR 28.50 in cash per Biotest Ordinary Share and EUR 19.00 per Biotest Preference Share.

2. STATUTORY MINIMUM PRICE

To the extent that the Management Board and the Supervisory Board are in a position to verify this on the basis of the information available, the Offer Price fulfils the requirements for minimum prices pursuant to Section 31 para. 1 WpÜG and Sections 4 and 5 WpÜG Offer Regulation:

- According to Section 4 WpÜG Offer Regulation, the consideration for shares of a target company in a takeover offer pursuant to Sections 29 et seq. WpÜG must at least be equal to the highest consideration granted or agreed to by the Bidder, any person acting jointly with the Bidder pursuant to Section 2 para. 5 WpÜG, or its subsidiaries for the acquisition of Biotest Shares within the last six-month period prior to the publication of the Offer Document, i.e., from 18 November 2016 until 18 May 2017.

- According to Section 5 WpÜG Offer Regulation, the consideration pursuant to Section 27 para. 1 sentence 2 no. 1 WpÜG, in the case of a takeover offer pursuant to Sections 29 et seq. WpÜG, must be equal to at least the weighted average domestic stock exchange price for Biotest shares in the three-month period prior to the publication of the Bidder's decision to launch the takeover offer ("Three-Month Average Price"). The decision to launch the Offer was published on 7 April 2017.

2.1 Lowest price determined by previous sales

According to the information provided by the Bidder in the Offer Document, within the last six months prior to publication of the Offer Document, no acquisition of Biotest Shares took place by the Bidder, the persons acting jointly with the Bidder or their subsidiaries relevant for determining the statutory minimum price pursuant to Section 31 para. 1 WpÜG and Section 4 WpÜG Offer Regulation.

The Management Board and the Supervisory Board point out that the Company also was not notified of any acquisition pursuant to Sections 21 et seq. WpHG and the Management Board and the Supervisory Board are also otherwise not aware of any such acquisition. Over and above this, they are not able to review the information provided by the Bidder.

On the basis of the details in the Offer Document, the Offer Price therefore fulfils requirements of Section 31 para. 1 WpÜG and Section 4 WpÜG Offer Regulation.
2.2 **Lowest price determined by the Three-Month Average Price**

According to the details in the Offer Document, the Three-Month Average Price up to and including 6 April 2017 amounted to EUR 20.73 per Biotest Ordinary Share, as notified by BaFin. The Offer Price per Biotest Ordinary Share exceeds this amount.

According to the details in the Offer Document, the Three-Month Average Price up to and including 6 April 2017 amounted to EUR 16.91 per Biotest Preference Share, as notified by BaFin. The Offer Price per Biotest Preference Share exceeds this amount.

3. **ASSESSMENT OF THE FAIRNESS OF THE CONSIDERATION OFFERED**

The Management Board and the Supervisory Board have diligently and intensively analyzed and assessed the fairness of the consideration offered for the Biotest Shares from a financial point of view, on the basis of the current strategy and financial planning of the Company, the historical price developments of the Biotest Shares, specific valuation methods and on the basis of additional assumptions and information.

3.1 **Comparison with historical stock exchange prices**

To assess the fairness of the consideration offered from a financial point of view, the Management Board and the Supervisory Board have also taken account of the development of the stock exchange prices of the Biotest Ordinary Share and the Biotest Preference Share.

**Overview IV.3.20: Historical price development of Biotest Ordinary Share**

Source: Bloomberg, 6 April 2017. Based on Xetra closing prices.
The closing price of Biotest Ordinary Shares in XETRA trading on the Frankfurt Stock Exchange on 6 April 2017, the last trading day prior to the publication of the Bidder’s decision to launch the takeover offer pursuant to Section 10 para. 1 sentence 1 WpÜG on 7 April 2017, amounted to EUR 26.00. The Offer Price contains a premium of EUR 2.50 (9.62%) on this price (Source: Bloomberg).

The closing price of Biotest Preference Shares in XETRA trading on the Frankfurt Stock Exchange on 6 April 2017, the last trading day prior to the publication of the Bidder’s decision to launch the takeover offer pursuant to Section 10 para. 1 sentence 1 WpÜG on 7 April 2017, amounted to EUR 18.23. The Offer Price contains a premium of EUR 0.77 (4.22%) on this price (Source: Bloomberg).

On 29 March 2017, Biotest published post-market close an ad-hoc notification about the ongoing negotiations between Creat and Biotest regarding a potential business combination. From that point in time, the share price of Biotest Shares was probably influenced by the potential business combination between Creat and Biotest which eventually resulted in the Offer. Therefore, 29 March 2017 was the last trading day of the Biotest Shares on which the stock exchange price was undisturbed by the Offer.

The closing price of Biotest Ordinary Shares in XETRA trading on the Frankfurt Stock Exchange on 29 March 2017, the last stock exchange trading day before announcement of the ongoing negotiations between Biotest and Creat, amounted to EUR 19.99. The Offer Price contains a premium of EUR 8.52 (42.61%) on this price (Source: Bloomberg).

The closing price of Biotest Preference Shares in XETRA trading on the Frankfurt Stock Exchange on 29 March 2017, the last stock exchange trading day before announcement of the ongoing negotiations between Biotest and Creat, amounted to EUR 19.02. The Offer Price contains a discount of EUR 0.02 (0.11%) on this price (Source: Bloomberg).

The Offer Price contains a premium of EUR 8.22 (40.53%) on the weighted average domestic stock exchange price for Biotest Ordinary Shares during the last six-month period prior to the publication of the decision to launch the takeover offer pursuant to Section 10 para. 1 sentence 1 WpÜG on 7 April 2017 in the amount of EUR 20.28

Source: Bloomberg, 6 April 2017. Based on Xetra closing prices.
The Offer Price contains a premium of EUR 3.06 (19.20%) on the weighted average domestic stock exchange price for Biotest Preference Shares during the last six-month period prior to the publication of the decision to launch the takeover offer pursuant to Section 10 para. 1 sentence 1 WpÜG on 7 April 2017 in the amount of EUR 15.94 (Source: Bloomberg. Based on trades executed on XETRA).

- The Offer Price contains a premium of EUR 7.77 (37.48%) on the Three-Month Average Price for Biotest Ordinary Shares determined by BaFin of EUR 20.73.

The Offer Price contains a premium of EUR 2.09 (12.36%) on the Three-Month Average Price for Biotest Preference Shares determined by BaFin of EUR 16.91.

- Within the last 12 months prior to the publication of the decision of the Bidder to launch the takeover offer pursuant to Section 10 para. 1 sentence 1 WpÜG on 7 April 2017 the lowest price for Biotest Ordinary Shares in XETRA trading on the Frankfurt Stock Exchange was at EUR 15.44 (14 June 2016) and the highest price was at EUR 26.10 (6 April 2017) and the lowest price for Biotest Preference Shares in XETRA trading on the Frankfurt Stock Exchange was at EUR 12.02 (4 November 2016) and the highest price was at EUR 19.39 (30 March 2017) (Source: Bloomberg).


3.2 Consideration of the growth profile of the Biotest Group

The Management Board and the Supervisory Board considered the previous business development of the Biotest Group and the associated future opportunities and risks, to assess the fairness of the consideration offered.

The Management Board of Biotest released its profit (EBIT) guidance for 2017 on 30 March 2017. The Management Board guided towards profit (EBIT) in the range of EUR 46 million to EUR 48 million and sales growth in a low single-digit percentage range. This profit (EBIT) guidance was significantly below market expectation at the time which was EUR 72 million according to FactSet as of 29 March 2017 and included projections by four brokers covering Biotest (Kepler Cheuvreux, Equinet (ESN) AG, MainFirst Bank AG and Hauck & Aufhäuser).

On 26 April 2017, Biotest recalled several batches of human albumin due to an equipment failure in the production of an albumin intermediate. Biotest reduced its profit (EBIT) guidance for 2017 by EUR 25 million to EUR 30 million (this means the implied profit (EBIT) guidance between EUR 16 million to EUR 23 million, derived by subtracting EUR 25 million from high end of the previous guidance of EUR 48 million and EUR 30 million from the low end of the previous guidance of EUR 46 million), i.e. less than 50% of the profit (EBIT) guidance published on 29 March 2017. In addition, Biotest decreased its sales guidance for 2017 from low single-digit growth rate to the same absolute level as in the prior year.

Biotest confirmed the sales and profit guidance in the announcement of quarterly figures for the first quarter 2017 on 10 May 2017.
Given the recent operational challenges, the ongoing assessment of the Albumin recall as well as the difficult transition period due to the progress of the BNL Project, Biotest has given the above mentioned guidance for the current fiscal year. The mid-term sales target of EUR 1 billion which was communicated with the start of the BNL Project in 2013 will probably be reached by 2023 and takes into account significant contributions from the BNL Project. Due to increasing development and ramp-up costs for the BNL Project, the EBIT will remain below the 2016 level until at least 2020 when the first sales of products out of the new facility of the BNL Project will be made. The mid-term EBIT margin of 18% for the total Biotest Group is expected to be achieved by 2023. The impact of the Albumin recall is currently being quantified and is still to be reflected in the cash flow planning.

**3.3 Offer as result of a fair and transparent process**

The Offer is the result of an open and transparent structured process initiated by the Management Board and the Supervisory Board in October 2016. In this process, extensive discussions have been conducted with various interested parties and non-binding transaction offers or written expressions of interests have been verified. The Supervisory Board was kept informed by the Management Board about such discussions. Following the due diligence review, Creat submitted the most attractive offer and signed a letter of intent on 29 March 2017, which contained the key terms and conditions of a public takeover offer. After an extensive review of Creat’s transaction offer and the letter of intent, the Management Board and the Supervisory Board came to the conclusion that it would be in the best interest of the Company and Biotest Shareholders to enter into the Business Combination Agreement and to support a public takeover offer at the terms specified therein.

**3.4 Fairness Opinion**

In addition, the Company commissioned Credit Suisse Securities (Europe) Limited, branch Frankfurt am Main (“Credit Suisse”), with preparation of an opinion on the assessment of the fairness of the consideration offered from a financial point of view for the Management Board and the Supervisory Board (“Fairness Opinion”).

In the Fairness Opinion dated 25 May 2017 Credit Suisse finds, subject to the assumptions contained therein as of the date the Fairness Opinion was provided (i.e. 25 May 2017) that the total consideration offered to the Biotest Shareholders pursuant to the Offer Document is fair for Biotest Shareholders from a financial point of view. The Fairness Opinion is attached to this Statement as Annex attached.

The Management Board and the Supervisory Board point out that the Fairness Opinion was provided exclusively for the information and support of the Management Board and of the Supervisory Board in connection with the assessment of the financial fairness of the Offer Price. The Fairness Opinion is neither directed at third parties nor is it intended for the protection of third parties. Third parties may not derive any rights from the Fairness Opinion. No contractual relationship shall come into existence in this connection between Credit Suisse and third parties who read the Fairness Opinion. Neither the Fairness Opinion nor the underlying mandate agreement between Credit Suisse and the Company provide any protection to third parties or lead to an inclusion of third parties in their respective scope of protection.

In particular, the Fairness Opinion is not directed at Biotest Shareholders and is not a recommendation on the part of Credit Suisse to the Biotest Shareholders to accept or not accept the Offer. Credit Suisse’s consent to attach the Fairness Opinion to this Statement as an annex does not represent any expansion or addition to the sphere of persons to whom this Fairness Opinion is directed or who may trust the Fairness Opinion, nor does it result in an inclusion of third parties in the scope of protection. In addition, the Fairness Opinion does not make any statement with regard to the relative advantages and
disadvantages of the Offer in comparison to other business strategies or transactions that may be available to the Bidder or the Company.

As part of its assessment of the fairness of the Offer Price from a financial point of view, Credit Suisse carried out a number of investigations, as they are conducted in comparable transactions and that appeared appropriate in order to give the Management Board and the Supervisory Board a sustainable basis for estimating the fairness of the Offer Price from a financial point of view. In these investigations Credit Suisse used a number of factors, assumptions, procedures, restrictions and evaluations that are described in the Fairness Opinion.

Among others, Credit Suisse's analysis is based on the Offer Document, the Business Combination Agreement, the Company's publicly accessible business and financial data, financial forecasts and supporting documents made available by the Company, discussions with members of the Company's upper management on business activities and the Company's prospects, comparisons of the Company's publicly available financial and stock exchange data with similar information for other exchange-listed companies and other business combinations and transactions.

The Management Board and the Supervisory Board point out that the Fairness Opinion of Credit Suisse is subject to certain assumptions and reservations and that a complete reading of the Fairness Opinion is necessary for understanding the examination underlying this Fairness Opinion and its findings. Fairness Opinion of Credit Suisse is based in particular on the general economic and market conditions as of the date the Fairness Opinion was presented and the information available at that time. Developments occurring after this date could impact the assumptions made when preparing the Fairness Opinion and its results. Credit Suisse is not obligated to update, correct or confirm its Fairness Opinion with respect to events based on circumstances, developments or events that occur after the date of the submission of the Fairness Opinion.

The Fairness Opinion is not an appraisal, such as typically prepared by auditors and may not be considered as such. Hence, the Fairness Opinion also does not follow the standards for such expert opinions as they are prescribed by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer in Deutschland e.V., "IDW") (for the business valuation pursuant to IDW S 1; for the preparation of Fairness Opinions pursuant to IDW S 8). A Fairness Opinion of the type submitted by Credit Suisse differs in important aspects from a business valuation by a public auditor and from business valuations in general.

In addition, Credit Suisse has not submitted an opinion on whether the Offer Conditions comply with the requirements of the WpÜG or satisfy other legal requirements.

Please note that Credit Suisse worked and is still working as a financial advisor to Biotest in connection with the Offer. For its work as a financial advisor Credit Suisse receives a compensation depending on the implementation of the Offer.

Furthermore, Credit Suisse or its affiliated companies provided investment banking services and other financial services for Biotest, the Bidder and Tiancheng International in the past and may provide such services in the future. Credit Suisse received compensation for such services in the past and expects that it will receive such compensation also in the future. In particular, Credit Suisse worked as a financial advisor to Biotest in connection with the ADMA Transaction and expects a payment of the agreed compensation after settlement of the ADMA Transaction.

### 3.5 Analysts' opinions

In assessing the fairness of the Offer Prices for Biotest Ordinary Shares and Biotest Preference Shares, the Management Board and the Supervisory Board have also taken
into account recommendations and target prices issued by selected analysts, which were issued in the period before 29 March 2017, the day on which the first ad-hoc announcement regarding the receipt of a letter of intent from Creat was published on 29 March 2017 (see Section 3.4 of this Statement). In this period the prices have not yet been influenced by the takeover speculations. The Management Board and the Supervisory Board point out that the target prices issued by selected analysts refer exclusively to Biotest Preference Shares and that such targets are accordingly only relevant for the valuation of Biotest Preference Shares.

<table>
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<tr>
<th>Institution</th>
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<td>ESN Equinet</td>
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Following a notification about the ongoing negotiations between Creat and Biotest regarding a potential business combination post-market close on 29 March 2017, Kepler Cheuvreux commented that the interest of the Chinese investor Creat possibly made sense and that the indicated valuation of Biotest Shares in connection with a possible offer was attractive (as published by Thomson Reuters on 31 March 2017).

Following the publication of the ad-hoc notification regarding the recall of the batches of human albumin, Kepler Cheuvreux stated (as published on Thomson Reuters on 27 April 2017) that the Offer Price for both Biotest Ordinary Shares and Biotest Preference Shares was very attractive considering the ongoing issues Biotest was facing in the plasma business.

On 10 April 2017, Hauck & Aufhäuser Privatbankiers KGaA stated that the Offer Prices offered by Creat for Biotest Ordinary Shares and Biotest Preference Shares appeared to be fair and even were attractive (as published by Thomson Reuters on 10 April 2017).

Furthermore, the Management Board and the Supervisory Board point out that the analysts' assessments are always the individual assessments made by the respective analyst so that their views of the value of a share naturally differ.

3.6 **Comparison to past transactions**

The Bidder described in Section 10.2.5 of the Offer Document that it used transaction multiples in comparable transactions in order to evaluate the fairness of the Offer Price. Thus, in comparable transactions involving biotech companies the average enterprise value to LTM EBIT multiple was in the range of 13.3x to 18.9x (e.g. Talecris / Grifols with a multiple of 13.3x and Aventis Behring / CSL with a multiple of 18.9x). Pursuant to Section 10.2.5 of the Offer Document, the combined Offer Price for both Biotest Ordinary Shares and Biotest Preference Shares represents an enterprise value to LTM EBIT multiple of 20.1x.
3.7 **Relevant risks for the assessment**

The Management Board and the Supervisory Board point out that the business activity of Biotest is exposed to risks, which cannot be assessed with certainty. In addition to the market risks, which the Company regards as being particularly important, these risks particularly include risks arising from tender contracts in the Therapy segment, risk of sharp price decreases for plasma proteins, risks due to price increases or scarcity of raw materials and excipients on procurement markets or currency risk, risks in connection with research and development of new drugs, process and production risks, compliance risk, risks resulting from side effects, interactions or quality defects as well as risks caused by defects in the pharmacovigilance systems. These and other risks are described in more detail in the Outlook, Risk and Opportunities Report on page 25 et seq. of the Annual Report 2016 of Biotest (at http://www.biotest.de under the heading Investor Relations). From a present point of view, the Company cannot reliably assess whether these risks will materialize in the future. In view of the existing uncertainties from an actual point of view and the considerable difficulties with the assessment of their economic consequences, such risks are not taken into account in these assessments, beyond the provisions shown in the financial reports from previous financial years and it cannot be ruled out that these provisions may not be sufficient for fulfilling future obligations.

3.8 **Overall assessment of the fairness of the consideration**

The Management Board and the Supervisory Board have diligently and extensively analysed the fairness of the consideration offered by the Bidder. In consideration of the Fairness Opinion and based on the appraisal of the overall circumstances of the Offer, the Management Board and Supervisory Board have reached independently from each other the conclusion that the consideration offered by the Bidder per Biotest Share is fair from a financial perspective and from a perspective of Section 31 para. 1 WpÜG. The Offer Price both for Biotest Ordinary Shares and Biotest Preference Shares fulfils statutory requirements and in the opinion of the Management Board and the Supervisory Board fairly reflects the value of the Company.

The following aspects were particularly crucial for the Management Board and Supervisory Board:

- The Offer Price for Biotest Ordinary Shares contains a significant premium of 37.48% and the Offer Price for Biotest Preference Shares a substantial premium of 12.36% on the Three-Month Average Price, i.e. weighted domestic stock exchange price of Biotest Shares in the last three months prior to the publication of the Bidder's decision to launch the takeover offer pursuant to Section 10 para. 1 sentence 1 WpÜG on 7 April 2017.

- The Offer Price for Biotest Ordinary Shares and the Offer Price for Biotest Preference Shares are significantly above the weighted average domestic stock exchange price of Biotest Shares during the last twelve-month and six-month period prior to the publication of the decision to launch the takeover offer pursuant to Section 10 para. 1 sentence 1 WpÜG on 7 April 2017 and the Three-Month Average Price determined by BaFin.

- The Offer Price for Biotest Ordinary Shares corresponds to the price at which OGEL GmbH committed to accept the Offer on the day of the publication of the decision to launch the takeover offer, pursuant to Section 10 para. 1 sentence 1 WpÜG in the Irrevocable Undertaking (see details already under Section II.3 of this Statement). The Irrevocable Undertaking is the result of negotiations between parties who are independent from one another. The Management Board and the Supervisory Board see a strong indication of the financial fairness of the Offer Price for the Biotest Ordinary Shares in the circumstance that on the day of the announcement of the
intended takeover offer, the majority shareholder, the OGEL GmbH, irrevocably committed to tender its large share package for the Offer at the Offer Price.

- The analyst's target prices for Biotest Preference Shares unaffected by the takeover speculations before the publication of the ad-hoc notification regarding the submission of the letter of intent by Creat on 29 March 2017 were substantially below the Offer Price for Biotest Preference Shares. The target price of Biotest Preference Shares by Kepler Cheuvreux amounted to EUR 16.50 on 24 March 2017, i.e. EUR 2.50 or 13.16% below the Offer Price. Also the average of target prices taken into account is substantially below the Offer Price for Biotest Preference Shares.

- Both Kepler Cheuvreux and Hauck & Aufhäuser Privatbankiers KGaA came in their analysis to the conclusion that the Offer is not only fair but also attractive or very attractive.

- When assessing the financial fairness of the Offer, the Management Board and the Supervisory Board took into account the recent operational challenges, the ongoing assessment of the Albumin recall as well as the difficult transition period due to the progress of the BNL Project.

- As part of a fair and transparent process and after an extensive discussion of the offers provided to the Management Board and the Supervisory Board, both corporate bodies came to the conclusion that the transaction offer by Creat was in the interest of the Company and Biotest Shareholders.

- The enterprise value to LTM EBIT multiple contained in the Offer which is higher than in comparable past transactions is in the opinion of the Management Board and the Supervisory Board a strong indicator of an extremely attractive Offer Price for Biotest Ordinary Shares and Biotest Preference Shares.

- The Fairness Opinion commissioned by Biotest at Credit Suisse came to the conclusion that, based on and subject to various assumptions and limitations described in the Fairness Opinion, the offered consideration is fair from a financial point of view. The Management Board and the Supervisory Board have convinced themselves about the plausibility and purposefulness of the processes, methods, and analyses used by Credit Suisse.

The Management Board and the Supervisory Board are not providing an assessment regarding the company value of Biotest pursuant to the valuation standard IDW S 1 and also not regarding whether, in the future, within the context of a legally prescribed, fair severance payment, for example, in connection with the possible implementation of a domination and profit and loss transfer agreement, a possible exclusion of minority shareholders (squeeze-out) or a possible transformation, a higher or lower amount than the Offer Price could be set or would be set in the future. Legally prescribed severance payments are measured on the basis of the enterprise value of Biotest and are subject to judicial controls within the context of court procedures for verification (Spruchverfahren). In this regard, it must also be considered that an assessment on the basis of other valuation methods within the context of court proceedings may possibly result in a higher or lower value.

In view of this, the Management Board and the Supervisory Board explicitly point out that Biotest Shareholders, who have already tendered their Biotest Shares for sale or intend to do so will not have any entitlement to a payment of the possible difference between the Offer Price and any statutory severance payment in the event that the statutory severance payment is actually higher than the Offer Price, even if such a measure takes place within one year after the final notification pursuant to Section 23 para. 1 sentence 1 no. 2 WpÜG (see Section 31 para. 5 sentence 2 WpÜG).
V. OBJECTIVES AND INTENTIONS OF THE BIDDER AND ANTICIPATED CONSEQUENCES FOR BIOTEST

1. OBJECTIVES AND INTENTIONS IN THE OFFER DOCUMENT

In the Offer Document, the Bidder describes its intentions with regard to the future business activity of Biotest. The intentions of the Bidder, which are discussed below, are described in further detail in Section 9 of the Offer Document. Background of the Offer is described in Section 8.1 of the Offer Document and in Section III.5 of this Statement. The Biotest Shareholders are advised to read these sections of the Offer Document carefully. The following summarized description is intended to provide an overview of the background of the Offer as well as the intentions of the Bidder, and it makes no claim to be exhaustive. Thereafter, the Management Board and the Supervisory Board state their assessment (refer to Section V.2 of this Statement).

1.1 Future business activity, assets and future obligations of Biotest AG and future business activity of the Bidder, location and corporate seat of Biotest and location of material parts of the business

Pursuant to Section 9.1 of the Offer Document, the Bidder intends to help Biotest in a period of transformation and provide the additional financial support required to execute Biotest's medium to long-term strategy which otherwise would be substantially more challenging to achieve as a standalone company. The Bidder intends to support Biotest in line with Biotest's current business plan, and in particular to expand Biotest's position in the global blood plasma industry.

The Bidder does not intend to change Biotest's or any member of the Biotest Group's corporate name, brand and product names to the extent they refer to the corporate name or brand of Biotest after settlement of the Offer during the term of the Business Combination Agreement.

The Bidder intends to support the completion of the BNL facility and to provide any re-financing which may be necessary due to the triggering of any change-of-control provision in the current financing agreements of Biotest. During the term of the Business Combination Agreement, the Bidder does not intend to liquidate Biotest or any Biotest Group member nor to sell Biotest's entire business or substantial parts thereof to any third party, as long as a squeeze-out has not been registered with the commercial register, however, reserves the right to dispose and/or transfer the business of Biotest as a whole or material parts thereof to affiliated companies. The Bidder intends to transfer know-how, technologies and key staff only to the extent not jeopardizing existing operations and the success of the BNL Project and only on arm's length terms.

The Bidder has no further intention with regard to future business activities, assets and future obligations of Biotest.

Pursuant to Section 9.5 of the Offer Document, the Bidder and the Bidder Parent Shareholders have no intentions that could affect the registered offices of the companies, the location of material parts of the business, the use of the assets or future obligations of the Bidder and the Bidder Parent Shareholders, the members of the boards of the Bidder and the Bidder Parent Shareholders, or the employees of the Bidder and the Bidder Parent Shareholders, their representation and the employment conditions.

The Bidder does not intend to relocate Biotest's location (Standort) and corporate seat (Satzungssitz) and headquarter from Dreieich, Germany, and further intends to maintain Biotest in the legal form of a German stock corporation (Aktiengesellschaft). Also, the Bidder does not intend to relocate any material parts of the business (wesentliche Unternehmensteile).
1.2 Employees, employee representations and employment conditions

According to Section 9.2 of the Offer Document, the Bidder believes that Biotest's employees are highly qualified and of exceptional value for the business. A successful completion of the Offer will have no effect on the workforce, employees, employment relationships or employment conditions of Biotest.

The Bidder does not intend during the term of the Business Combination Agreement to take or initiate any action aimed at the modification of existing shop agreements (Betriebsvereinbarungen), collective bargaining agreements (Tarifverträge) and incentive schemes (Mitarbeiterbeteiligungsprogrammen) and intends to adhere to employee co-determination and to maintain employment levels consistent with Biotest's business plan. The Bidder further intends to create additional jobs in Germany with its investments in Biotest.

The Bidder has no further intentions with regard to employees, employee representations and employment conditions.

1.3 Possible structural measures

According to explanations in Section 9.4 of the Offer Document, after settlement of the Offer and subject to having reached the required ownership level, the Bidder intends, insofar as economically and operationally reasonable at the time, to take the following structural measures:

(a) The Bidder intends to initiate a delisting of the Biotest Shares pursuant to Section 39 para. 2 of the German Stock Exchange Act (Börsengesetz – "BörsG") and the applicable regulations of the relevant regional stock exchanges and will take all measures necessary for such a delisting. In such a case, the Bidder will submit a delisting purchase offer (Delisting-Erwerbsangebot) within the meaning of Section 39 para. 2 and para. 3 BörsG to the Biotest Shareholders. The delisting of the Biotest Shares may reduce the tradability of the Biotest Shares for its shareholders as trading in Biotest Shares may only occur outside the stock exchange. This may negatively impact the tradable value of the Biotest Shares.

(b) Prior to or after completion of a delisting and subject to the economic circumstances at the time, the Bidder intends to conclude a domination and profit and loss transfer agreement in accordance with Sections 291 et seqq. AktG with Biotest as the dominated company. Such domination and profit and loss transfer agreement would stipulate, inter alia, an obligation on the part of the Bidder (i) to acquire the Biotest Shares of the outside Biotest Shareholders upon their request in exchange for reasonable cash compensation, and (ii) to pay to the remaining outside shareholders annually recurring payments (guaranteed dividend). The reasonableness of the amount of the recurring payments and the cash compensation can be examined in court proceedings. The amount of the reasonable cash compensation could differ from the Offer Price and be lower or higher.

1.4 Management Board and Supervisory Board

The Bidder explained in Section 9.3 of the Offer Document that it has full trust and confidence in the current members of the Management Board of Biotest and does not intend to initiate a change of the composition of Biotest's Management Board but may consider proposing to appoint additional members to be adequately represented in Biotest's Management Board. Within the framework of what is legally permissible, the Bidder intends to take all steps as required to ensure that the Supervisory Board of Biotest does not remove the current members of the Management Board before the end of their term of office.
Furthermore, the Bidder described in Section 9.3 of the Offer Document that in accordance with the restrictions imposed by the organizational and governance rules under the AktG, Biotest's Supervisory Board shall consist of at least six members of which four shall be shareholders' representatives and two shall be employees' representatives. The term of the current members of the Supervisory Board, including the shareholder's representatives ends with the next annual general meeting. Therefore, all members of the Supervisory Board of Biotest have to be newly elected on the next annual general meeting of Biotest. The Bidder intends to be represented in the Supervisory Board of Biotest in a manner which appropriately reflects its shareholding following settlement of the Offer, which was also agreed by the parties of the Business Combination Agreement. As of the date of the publication of the Offer Document and provided that the Bidder did not acquire all Biotest Ordinary Shares, the Bidder intends to appoint at least one independent member of the Supervisory Board.

2. **ASSESSMENT OF THE BIDDER’S OBJECTIVES AND POSSIBLE CONSEQUENCES**

The Management and the Supervisory Board have carefully and extensively examined the intentions of the Bidder as described in the Offer Document. The Management Board and the Supervisory Board welcome the fact that the Bidder has established a reliable basis for material objectives and intentions and gives, during the term of the Business Combination Agreement of five years, material covenants regarding the business and the employees. This creates a stable basis for the future cooperation.

2.1 **Future business activity, assets and future obligations of Biotest**

The Management Board and the Supervisory Board explicitly share the Bidder's view that Creat can strengthen and expand Biotest's global competitiveness. The Management Board and the Supervisory Board also see promising prospects in continuing to develop new products, further pursuing BNL Project as well as by expanding its international presence. The Management Board and the Supervisory Board welcome that the Bidder intends to help Biotest in a period of transformation and to provide additional financial support to achieve Biotest's long-term objectives and continue corresponding substantial investments in Biotest's products and facilities required over the coming years. It would be much more challenging for Biotest to implement the medium to long-term strategy as a standalone company.

The Management Board and the Supervisory Board explicitly positively assess that Creat intends, together with Biotest to determine the key focus areas for prioritized research and development and growth beyond the BNL Project and that existing products and products to be produced in accordance with Biotest's BNL strategy shall be sold internationally through the existing and affiliated sales network of the Bidder.

The Management Board and the Supervisory Board positively assess that the Bidder intends to support Biotest in line with Biotest's current business plan, in particular to expand Biotest's position in the global blood plasma industry.

The Management Board and the Supervisory Board explicitly positively assess that, during the term of the Business Combination Agreement, the Bidder does not intend to liquidate Biotest or any Biotest Group member nor to sell Biotest's entire business or substantial parts thereof to any third party, as long as a squeeze-out has not been registered with the commercial register. The Management Board and the Supervisory Board consider it comprehensible that the Bidder reserves the right to dispose and/or transfer the business of Biotest as a whole or material parts thereof to affiliated companies.

The Management Board and the Supervisory Board also positively assess that the Bidder does not intend to change Biotest's or any member of the Biotest Group’s corporate name, brand and product names to the extent they refer to the corporate name or brand of Biotest.
In agreement with the Bidder, the Management Board and the Supervisory Board also do not regard it as necessary to make any changes to the assets and future obligations of Biotest.

2.2 Location and registered office of the Company, locations

The Management Board and the Supervisory Board explicitly positively assess that the Bidder does not intend to move the location and the registered office from Dreieich or material parts of the business, and that the Bidder intends to maintain the firm name and the corporate form of Biotest as German stock corporation following the settlement of the Offer and during the term of the Business Combination Agreement.

2.3 Employees, employee representations and employment conditions

Due to the statutory provisions, the completion of the Offer has no immediate effects on the employees of the Biotest Group, their employment terms and their existing rights or the statutory obligations assumed in respect of them. All existing employment relationships with the respective companies of the Biotest Group will continue, without the successful implementation of the Offer triggering a business transfer (Betriebsübergang). The Management Board and the Supervisory Board positively assess this.

The Management Board and the Supervisory Board explicitly positively assess that the Bidder intends to increase the number of employees in accordance with the current plans of the management, to adhere to existing shop agreements (Betriebsvereinbarungen) and collective bargaining agreements (Tarifverträge) and to maintain employee co-determination unchanged.

The Management Board and the Supervisory Board further welcome that the Bidder intends to transfer know-how, technologies and key staff only to the extent not jeopardizing existing operations and the success of the BNL Project and only on arm’s length terms.

The Management Board and the Supervisory Board welcome that the Bidder does not have any intentions which would affect the employees’ representation, i.e. also the works council, and the employment conditions.

2.4 Possible structural measures

The Management Board and the Supervisory Board acknowledge that structural measures are explicitly not ruled out in Section 9.4 of the Offer Document. Explicitly described measures include on the one hand a delisting pursuant to Section 39 para. 2 BörsG and the applicable regulations of the relevant regional stock exchanges and on the other hand, a conclusion of a domination and profit and loss transfer agreement in accordance with Sections 291 et seqq. AktG between the Bidder and Biotest as the dominated company. The conclusion of a domination and/or profit and loss transfer agreement would not be unusual and from the point of view of the Management and the Supervisory Board economically comprehensible. Without e.g. a domination agreement, the rules of the so-called de facto group (faktischer Konzern) would apply which means that the Management Board and further departments would need to be involved in any measure initiated by the Bidder. This would mean the entailment of a significant amount of time and resources.

The assessment of a possible delisting is, from the view of the Management Board and the Supervisory Board, currently not possible. The assessment is dependent on the achieved amount of shareholding of the Bidder and the question if the listing of the Biotest Shares still lies within the interest of the Biotest Shareholders taking into account the existing trading volumes.
2.5 Management Board and Supervisory Board

The Management Board and the Supervisory Board welcome the intention of the Bidder to continue working together with the current Management Board of Biotest. The Management Board and the Supervisory Board believe that it makes sense to maintain the present organizational structure. The Management Board and the Supervisory Board positively assess that the Bidder intends, within the framework of what is legally permissible, to take all steps as required to ensure that the Supervisory Board of Biotest does not remove the current members of the Management Board before the end of their term of office.

The Management Board and the Supervisory Board acknowledge the request of the Bidder to be fairly represented in the Management Board and the Supervisory Board of Biotest and consider it comprehensible that provided that the Bidder did not acquire all Biotest Ordinary Shares, the Bidder intends to appoint at least one independent member of the Supervisory Board. The intention of the Bidder to be represented in the Supervisory Board of Biotest to be newly elected on the next annual general meeting in a manner which appropriately reflects its shareholding following the settlement of the Offer is comprehensible for the Management Board and the Supervisory Board. The Management Board and the Supervisory Board also consider it reasonable, even though not essential - as considered by the Bidder – to increase the total number of Supervisory Board members.

2.6 Financial consequences for Biotest

(a) Financing of Biotest

There are material financings that have been drawn and disbursed to Biotest, under which the lenders have a right of termination in the event of a change of control.

The terms of all loan agreements concluded by Biotest or Biotest Pharma GmbH and of the promissory note loan agreements provide in the event of a change of control at Biotest for a direct or indirect right of the lender to immediately following the change of control request the repayment of the outstanding loan amounts together with accrued interests. A change of control can also result in Biotest being required to pay prepayment penalties.

It cannot be predicted with certainty whether and to what extent the facility agreements described here will be terminated by the respective lending banks upon the occurrence of a change of control. Due to the deteriorated economic situation it is to be expected that the terms and conditions of the agreements to be newly concluded can be less favorable than the existing terms and conditions.

The Bidder explained in Section 9.1 of the Offer Document that it intends to provide additional financial means to Biotest and to provide any re-financing which may be necessary due to the triggering of any change of control provision in the current financing agreements of Biotest. This has been explicitly positively assessed by the Management Board and the Supervisory Board.

Moreover, the Bidder described in Section 14.2 of the Offer Document that it had taken the necessary measures to ensure that the financial means, which are required to completely perform the Offer, are at its disposal at the time the claim for the consideration pursuant to the terms and conditions of the Offer falls due. The Management Board and the Supervisory Board have no reason to doubt this.
(b) Tax consequences

The Management Board and the Supervisory Board point out that the settlement of the Offer could adversely affect the tax situation of the Company and the Biotest Group.

Although the Company did not report any tax losses as of 31 December 2016, it could be the case that the tax losses at the US subsidiary could be used only to a very limited extent after the successful settlement of the Offer. Further, it cannot be ruled out that the Offer adversely affects the tax situation of the Company insofar that tax losses occurring in the current business year could not be used after the successful settlement of the Offer.

As a consequence of concluding a dominance and profit and loss transfer agreement or an isolated profit and loss transfer agreement (see Section V.2.4 of this Statement), it can occur that the participating companies are taxed as a tax group.

(c) Dividend policy of Biotest

The Management Board and the Supervisory Board expect that in the future, if the Company can report a respective balance sheet profit, the annual general meeting will resolve on a profit appropriation resolution, which provides for a dividend payment to Biotest Shareholders. However, the Management Board and the Supervisory Board point out that the future amount of possible dividend payments is not foreseeable.

(d) Impact on existing business relationships

The Management Board and Supervisory Board currently do not anticipate that business partners could cancel important business relationships with the Biotest Group due to the implementation of the Offer and a possibly resulting change of control.

VI. POSSIBLE IMPACT ON THE BIOTEST SHAREHOLDERS

The following statements have the purpose of providing the Biotest Shareholders with the necessary information for an assessment of the consequences of acceptance or non-acceptance of the Offer. The following information contains several aspects that the Management Board and the Supervisory Board consider relevant for the decision by the Biotest Shareholders regarding the acceptance of the Offer. However, such a listing cannot be conclusive, because individual special features cannot be taken into account. Biotest Shareholders must make an independent decision on whether and to what extent they accept the Offer. The following points can only be a guideline. Every Biotest Shareholder should sufficiently consider their personal circumstances when making the decision. The Management Board and the Supervisory Board recommend that each individual Biotest Shareholder should obtain expert advice, where necessary.

1. POSSIBLE IMPACT OF ACCEPTING THE OFFER

In consideration of the statements above, all Biotest Shareholders intending to accept the Offer should note among others the following points:

- Biotest Shareholders who accept the Offer or have accepted the Offer will no longer profit directly from any positive development of the stock exchange price of the Biotest Shares or any positive business development of the Biotest Group.
- Biotest Shareholders who accept the Offer or have accepted the Offer are bound to their declaration of acceptance and they are only entitled to specific withdrawal rights laid down in the Offer Document.

- Biotest Shareholders who accept the Offer or have accepted the Offer are obligated to unwind contracts that were entered into conditionally upon the acceptance of the Offer, if and insofar as the Offer Conditions have not been fulfilled or they have not been validly waived by the Bidder by the end of the Acceptance Period (for further details, reference is made to Section 12.2 of the Offer Document).

- According to the Offer Document, all Tendered Biotest Shares can be traded on the regulated market (Prime Standard) of the Frankfurt Stock Exchange from the third banking day following the beginning of the Acceptance Period until the end of the Acceptance Period under a separate security identification number if all offer conditions have been met or effectively waived or at the end of the third stock exchange trading day preceding settlement of the Offer. However, the liquidity of the Tendered Biotest Shares could be subject to strong fluctuations or may not exist at all or may be low. This could lead to significant price discounts.

- After the completion of the Offer and the end of the one-year period pursuant to Section 31 para. 5 WpÜG, it is possible for the Bidder to additionally acquire further Biotest Shares at a higher price outside the stock exchange, without being required to adjust the consideration for those Biotest Shareholders who have already accepted the Offer. Within the aforementioned one-year period, the Bidder can furthermore acquire Biotest Shares on the stock exchange at a higher price, without being required to adjust the consideration for those Biotest Shareholders who have already accepted the Offer.

- Biotest Shareholders who accept the Offer shall not participate in any severance payment, which become payable by law (or on the basis of interpretation of the laws as a result of standing case law) in the case of specific structural measures that are implemented after the completion of the Offer (e.g. upon conclusion of a domination and/or profit and loss transfer agreement, squeeze-out or transformations). Such severance payments are measured on the basis of the enterprise value of Biotest Group and are subject to judicial controls within the context of court procedures for verification (Spruchverfahren). Such severance payments can be higher or lower than the offered consideration.

2. POSSIBLE IMPACT OF NON-ACCEPTANCE OF THE OFFER

Biotest Shareholders who do not accept the Offer and also do not otherwise sell their Biotest Shares will remain Biotest Shareholders. However, they should, inter alia, note the Bidder’s information under Section 16 of the Offer Document as well as the following:

- Biotest Shareholders who decide not to accept the Offer will continue to bear the risk of the future business development of Biotest and other risks of Biotest (particularly the risks described in Section IV.3.7 of this Statement). If these risks materialize, the price of the Biotest Shares could significantly fall and the Biotest Shareholders could lose part or all of their investments.

- Biotest Shareholders bear the direct risk of future development of the stock exchange price of the Biotest Shares. If the Offer is not accepted, it is possible that the Minimum Acceptance Threshold for the Offer of 75% is not achieved and will therefore not become valid (see Section III.7.5 of this Statement). If the Offer does not become valid, this could have a significant negative impact on the stock exchange price of the Biotest Shares.
• Biotest Shares that are not tendered pursuant to the Offer shall continue to be traded at the relevant stock exchanges until possible discontinuation of the stock exchange listing of the Biotest Shares takes place. It is uncertain whether the stock exchange price of the Biotest Shares will rise or fall in the near future or will remain at a comparable level.

• The implementation of the Offer will presumably lead to a reduction of the free float of the Biotest Shares. The number of Biotest Shares in free float could even be reduced so far that the liquidity of the Biotest Shares is reduced significantly. As a result of this, it is possibly impossible to execute buy and sell orders for Biotest Shares, or in any case, not within an adequate time period.

• On the basis of the Offer Condition in Section 12.1.4 of the Offer Document (Minimum Acceptance Threshold), in the case of the Offer being completed, Biotest will be in the majority ownership of the Bidder and will therefore be a controlled company from the Bidder within the meaning of Section 17 AktG. Even if the Bidder waives the Offer Condition or considerably reduces the Minimum Acceptance Threshold of 75%, it will still have a majority interest because it will in any event hold the majority interest of OGEL GmbH. The legal framework conditions for the relationship between the Bidder as controlling shareholder and Biotest as controlled company are defined by Sections 311 et seq. AktG. Measures which are detrimental for Biotest, but advantageous for the Bidder or Bidder's affiliates, are permitted, provided that the detriment is compensated. In the long term, this can nevertheless lead to weakening of the business and the profitability.

• After successful completion of the Offer, the Bidder will presumably have the necessary qualified majority to pass resolutions on specific structural measures under stock corporation law or other resolutions of significant importance in the Company's shareholders' meeting. Such possible measures that come into question (to the extent legally permissible) are, for example, amendments to the articles of association, approval of a dominance and/or profit and loss transfer agreement, the exclusion of subscription rights of the Biotest Shareholders in corporate actions, restructuring, merger, and liquidation (including transferring liquidation) of the Company, as well as measures that lead to the discontinuation of the Company's stock exchange listing (so-called delisting). The Bidder may possibly also reach the required investment threshold of 90% of the share capital required for a merger squeeze-out.

• With a dominance and profit and loss transfer agreement, the Bidder, as a controlling company, could issue binding instructions to the Management Board of Biotest regarding the management of the Company. On the basis of the obligation to transfer profit, the Bidder could demand the transfer of the total balance sheet profit of the Company.

• Only some of the measures listed above could lead to an obligation by the Bidder to issue an offer to the minority shareholders in order to acquire their Biotest Shares in exchange for a fair compensation payment or recurring guaranteed dividend.

• The severance payment or compensation payments to the Biotest Shareholders in connection with possible structural measures of the Bidder can be higher or lower than the value of the offered consideration. A series of possible measures would not trigger any obligations to immediately make compensation payments of any type to Biotest Shareholders. However, it cannot be ruled out that such measures can also have a detrimental impact on the share price of the Biotest Shares.

• Following the successful completion of the Offer or at a later time, to the extent legally permissible, the Bidder could also arrange for Biotest to apply for the revocation of the stock exchange listing (Delisting) pursuant to Section § 39 para. 2 BörsG and the applicable regulations of the relevant regional stock exchanges and to
take all measures necessary for such a delisting. In such a case the Biotest Shareholders will no longer benefit from the increased reporting requirements based on a stock exchange listing. The delisting of the Biotest Shares may reduce the liquidity of the Biotest Shares for its shareholders as trading in Biotest Shares may only occur outside the stock exchange. This may negatively impact the tradable value of the Biotest Shares.

- If it holds the required majority of Biotest Shares, the Bidder can influence the appropriation of the balance sheet profit. Therefore, no statement can be made at present regarding the future dividend distribution policy of Biotest.

- The Bidder could demand the transfer of the Biotest Shares of the outside Biotest Shareholders to the main shareholder in exchange for an adequate cash compensation (squeeze out), if it directly or indirectly holds the required number of Biotest Shares.

- If the Bidder holds Biotest Shares in the amount of at least 95% of the voting share capital of Biotest upon completion of the Offer or within three months after the end of the Acceptance Period, the Biotest Shareholders who have not yet accepted the Offer up to this time can accept the Offer subsequently (Section 39c WpÜG).

VII. OFFICIAL APPROVALS AND PROCEEDINGS

According to Section 11 of the Offer Document, the anticipated acquisition of Biotest Shares by means of the Offer is subject to the following merger control and other regulatory approvals:

- The planned acquisition of Biotest Shares is subject to the merger control approval by the competent authorities in Turkey and the United States.

  The merger control approval in the United States was granted already on 4 May 2017, prior to the publication of the Offer Document, due to an early termination of the waiting period.

- Furthermore, the planned acquisition of Biotest Shares is subject to foreign investment control regime pursuant to Section 5 para. 2 of the German Foreign Trade Act and Section 55 et. seq. of the German Foreign Trade Ordinance and is subject to review under the Exon-Florio Amendment to the Defense Production Act of 1950, 50 U.S. app. § 2170, as amended, by the Committee on Foreign Investment in the United States.

Please refer to Sections 11.1 to 11.3 of the Offer Document for further details.

VIII. INTERESTS OF THE MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

1. SPECIAL INTERESTS OF THE MEMBERS OF THE MANAGEMENT BOARD

The Management Board is presently comprised of the members Dr Bernhard Ehmer, Dr Michael Ramroth and Dr Georg Floß. According to Section 9.3 of the Offer Document, the Bidder intends to continue working together with the current Management Board.

The members of the Management Board of Biotest do not hold any Biotest Ordinary Shares. Dr Ramroth holds 31,711 Biotest Preference Shares, Dr Floß holds 8,400 Biotest Preference Shares. Both Dr Ramroth and Dr Floß will accept the Offer with respect to Biotest Preference Shares held by them. Dr Ehmer does not hold any Biotest Ordinary Shares or Biotest Preference Shares.

Following a prior discussion of the corresponding drafts, the Management Board discussed and finally unanimously approved the contents of this Statement on 30 May 2017.
2. **SPECIAL INTERESTS OF THE MEMBERS OF THE SUPERVISORY BOARD**

According to the articles of association of Biotest, the Supervisory Board is comprised of six members. The current members of the Supervisory Board are Dr Alessandro Banchi (Chairman), Dr Cathrin Schleussner (Deputy Chairman), Kerstin Birkhahn*, Jürgen Heilmann*, Thomas Jakob and Dr Christoph Schröder (*refers to employee representatives).

The current members of the Supervisory Board do not hold any Biotest Ordinary Shares or Biotest Preference Shares.

OGEL GmbH holds directly 10,013,417 Biotest Ordinary Shares (approx. 50.61% of Biotest Ordinary Shares), but no Biotest Preference Shares. In the Irrevocable Undertaking, OGEL GmbH agreed to accept the Offer and to tender and transfer all of its Biotest Ordinary Shares to the Bidder in accordance with the terms and conditions set out in the Offer Document. The current member of the Supervisory Board, Dr Cathrin Schleussner, is a shareholder and managing director of OGEL GmbH. Having regard to this fact, Dr Schleussner has abstained from voting on the resolution regarding this Statement. Currently, it is not certain if Dr Schleussner will be available for a position on the Supervisory Board in the future.

According to Section 9.3 of the Offer Document, the Bidder intends to be represented in the Supervisory Board of Biotest to be newly elected at the next annual general meeting in a manner which appropriately reflects its shareholding following settlement of the Offer.

Following a prior discussion of the corresponding drafts, the Supervisory Board discussed and finally approved the contents of this Statement on 30 May 2017 by five votes in favour and one abstention.

3. **AGREEMENTS WITH THE MEMBERS OF THE MANAGEMENT BOARD OR SUPERVISORY BOARD**

As already described in more detail under Section II.3 of this Statement and under Section 6.4 of the Offer Document, OGEL GmbH agreed to accept the Offer and to tender and transfer all of its Biotest Ordinary Shares to the Bidder in accordance with the terms and conditions set out in the Offer Document. Dr Cathrin Schleussner is a shareholder and managing director of OGEL GmbH. Dr Schleussner and OGEL GmbH have not received any consideration for entering into the Irrevocable Undertaking.

Apart from the Irrevocable Undertaking entered into between the Bidder and OGEL GmbH the Bidder or persons acting jointly with the Bidder or their subsidiaries have not entered, even indirectly, into any agreements with individual members of the Management Board or the Supervisory Board and they have not promised the members of the Management Board any extension of their service contracts.

The contracts of the Management Board members contain provisions, according to which the contract can be terminated in the event of a closely defined change of control and the Management Board members shall receive a severance payment. According to the Business Combination Agreement, Creat intends to continue working with the current members of the Management Board. No further discussions have taken place so far.

4. **NO BENEFITS OF A MONETARY VALUE OR OTHER BENEFITS IN CONNECTION WITH THE OFFER**

The members of the Management Board and the Supervisory Board have not been granted, promised, or given prospects of any financial benefits or any other benefits of a monetary value by the Bidder or persons acting jointly with the Bidder or their subsidiaries. In particular, the Supervisory Board member, Dr Cathrin Schleussner have
not received any consideration for entering into the Irrevocable Undertakings between OGEL GmbH, the Bidder and Tiancheng International.

IX. INTENTIONS OF THE MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD TO ACCEPT THE OFFER

The members of the Management Board, Dr Ramroth and Dr Floß intend to accept the Offer for all Biotest Preference Shares held by them. Dr Ehmer does not hold any Biotest Shares.

The members of the Supervisory Board do not hold any Biotest Shares.

OGEL GmbH have issued a commitment to the Bidder to accept the Offer by the Bidder with all of the Biotest Shares held by it for the Offer Price mentioned in the Offer Document. In the meantime, OGEL GmbH has accepted the Offer for all of the Biotest Ordinary Shares held by it (see already under Section II.3 and Section VIII.2 of this Statement).

X. RECOMMENDATION

In consideration of the information in this Statement, the overall circumstances of the Offer and the objectives and intentions of the Bidder, the Management Board and the Supervisory Board hold the view that the consideration offered by the Bidder is fair within the meaning of Section 31 para. 1 WpÜG and the implementation of the Offer is in the interest of Biotest and its Shareholders.

For this reason and in consideration of the remarks above in this Statement, the Management Board and the Supervisory Board recommend that all Biotest Shareholders accept the Offer.

The decision about the acceptance or non-acceptance of the Offer should be made by each Biotest Shareholder individually, subject to the appraisal of the overall circumstances, their individual situations, and their personal assessments about the future development of the value and the stock exchange price of the Biotest Shares. Subject to mandatory statutory regulations, the Management Board and the Supervisory Board shall not be responsible in the event that the acceptance or non-acceptance of the Offer leads to detrimental financial consequences for a Biotest Shareholder afterwards.

Dreieich, 1 June 2017

Biotest Aktiengesellschaft

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ANNEX: Fairness Opinion of Credit Suisse dated 25 May 2017
Fairness Opinion

Dear Sirs,

You have asked us to advise you with respect to the fairness to the shareholders of Biotest AG (the "Company"), other than OGEL GmbH ("OGEL"), from a financial point of view of the consideration to be received by such shareholders pursuant to the terms of the voluntary public takeover offer to acquire the outstanding shares of the Company in accordance with Section 29 of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz) ("WpÜG") by Tiancheng (Germany) Pharmaceutical Holdings AG (the "Bidder"), a wholly owned subsidiary of Tiancheng International Investment Ltd ("Tiancheng International"). The Bidder published the offer document in accordance with Section 14 (3) WpÜG on 18 May 2017 (the "Offer Document"). The Offer Document provides, amongst other things, for an acquisition of all outstanding ordinary voting shares of the Company (the "Ordinary Shares") and non-voting preference shares of the Company (the "Preference Shares"), other than those held by the Company, if any, for a cash consideration of €28.50 per Ordinary Share and €19.00 per Preference Share, implying an aggregate consideration (the "Consideration") for the entire outstanding share capital of the Company of €940 million (the "Offer" or the "Transaction"). The Offer is subject to certain conditions, namely a 75 percent minimum acceptance rate by the holders of the outstanding Ordinary Shares of the Company as well as the receipt of required regulatory approvals, including clearance by competent antitrust authorities in the United States of America (which clearance has already been obtained) and Turkey, approval under the German Foreign Trade Act (Außenwirtschaftsgesetz) and approval by the Committee on Foreign Investment in the United States (CFIUS). OGEL, which holds slightly above 50 percent of the outstanding Ordinary Shares, signed an undertaking to irrevocably accept the Offer and tender and transfer to the Bidder all Ordinary Shares held by it in accordance with the terms and conditions of the Offer ("Irrevocable Tender Commitment") on 7 April 2017.
In arriving at our opinion, we have reviewed the Offer Document, the business combination agreement entered into between the Company, the Bidder and Tiancheng International on 7 April 2017, as well as certain publicly available business and financial information relating to the Company, including its annual and quarterly financial statements. We have also reviewed certain other information, including financial forecasts contained in the Company’s revised strategic plan as approved by the supervisory board (Aufsichtsrat) of the Company (the “Supervisory Board”) (the “Revised Strategic Plan”) and additional corporate planning documents and assumptions, provided to us or discussed with us by the Company, and have met with the Company’s management to discuss the business and prospects of the Company. We have not, however, participated in any negotiations between OGEL, the Bidder and Tiancheng International and have not reviewed any agreements, in particular the Irrevocable Tender Commitment, between OGEL, the Bidder and Tiancheng International.

We have also considered certain financial and stock market data of the Company, and we have compared that data with similar data for other publicly held companies in businesses which we deemed similar to those of the Company and we have considered, to the extent publicly available, the financial terms of certain other business combinations and other transactions which have recently been effected or announced. In connection therewith, we have analysed the historical share prices of the outstanding Ordinary Shares and Preference Shares and compared such share prices with the historical share prices of other companies that have ordinary shares and preference shares outstanding. We have also reviewed the terms of public takeover offers pursuant to the WpUG relating to the acquisition of ordinary shares and preference shares of a company, and we have compared the consideration received by the shareholders in connection with such public takeover offers with the Consideration to be received by the shareholders of the Company in the Offer. In connection with our analyses, as regards differences in consideration per share to be received by holders of Ordinary Shares and holders of Preference Shares, we have, with your consent, not taken into account any factors other than the control premium attributable to the Ordinary Shares resulting from the voting rights attached to them, the limited preferential dividend rights of the Preference Shares and the absence of any liquidation preference attached to the Preference Shares. We also considered such other information, financial studies, analyses and investigations and financial, economic and market criteria which we deemed relevant.

In connection with our review, we have not assumed any responsibility for independent verification of any of the foregoing information and have relied on its being complete and accurate in all material respects. With respect to the financial forecasts for the Company the management of the Company has advised us, and we have assumed, that such forecasts have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the Company’s management as to the future financial performance of the Company. In particular, with your consent, we have relied upon, without independent verification, the assessment of the management of the Company as to (i) the commercial assumptions relating to the Company’s existing products and markets, (ii) the clinical trial success of and the commercial assumptions relating to the Company’s new products included in the Revised Strategic Plan, (iii) the Company’s ability to fund its investment program and to commission the establishment of the Company’s new plasma fractionation and purification facility “Biotest Next Level” as planned, (iv) the assumed long-term profitability and cash-flow generation of the Company as reflected in the Revised Strategic Plan, (v) the potential impact of certain legal risks and ongoing litigation in which the Company is
involved or which could otherwise affect the Company’s business, and (vi) the successful completion of
the sale to ADMA Biologics Inc. of the Company’s US therapy business as announced on 23 January
2017 (the “ADMA Transaction”). With your consent, we have not considered in our analyses any upside
potential for the Company not reflected in the Revised Strategic Plan nor any cost savings and synergies
to be realized by the Bidder and Tiancheng International as a result of the Transaction. In addition, we have
not been requested to make, and have not made an independent evaluation or appraisal of the assets or
liabilities (contingent or otherwise) of the Company, nor have we been furnished with any such evaluations
or appraisals.

We also have assumed, with your consent, that in the course of obtaining necessary regulatory
and third party approvals and consents for the Offer, no modification, delay, limitation, restriction or
condition will be imposed that will have an adverse effect on the Company or the contemplated benefits of
the Transaction, and that the Transaction will be consummated in accordance with the terms of the Offer
Document, without waiver, modification or amendment of any material term, condition or agreement
therein.

Our opinion does not address any legal, regulatory, tax or accounting matters. Our opinion
addresses only the fairness, from a financial point of view, to the shareholders of the Company, other than
OGEL, of the consideration to be paid in the Offer and does not address any other aspect or effect of the
Transaction or any other agreement, arrangement or understanding entered into in connection with the
Transaction or otherwise. Our opinion is necessarily based upon information made available to us on the
date hereof and upon financial, economic, market and other conditions as they exist and can be evaluated
on the date hereof. Our opinion does not address the relative merits of the Transaction as compared to
alternative transactions or strategies that might be available to the Company nor does it address the
underlying business decision of the management board (Vorstand) of the Company (the “Management
Board”) and the Supervisory Board to recommend that the Company’s shareholders tender their shares in
the Offer.

This opinion has not been prepared according to the guidelines for the rendering of fairness
opinions (IDW S 8) of the institute of public auditors in Germany (Institut der Wirtschaftsprüfer in
Deutschland e.V. – IDW) and is not and should not be considered a valuation opinion (Wertgutachten) as
typically rendered by qualified auditors based on the requirements of German corporate law. An expression
of adequacy from a financial point of view differs in a number of important respects from a valuation
performed by such an auditor and from accounting valuations generally.

In connection with our engagement, we approached third parties to solicit indications of interest in
a possible acquisition of the Company and held preliminary discussions with certain of these parties prior to
the date hereof.

We have acted as financial advisor to the Company in connection with the Transaction and will
receive a fee for our services which is contingent upon the consummation of the Offer. In addition, the
Company has agreed to indemnify us for certain liabilities and other items arising out of our engagement.
From time to time, we and our affiliates have in the past provided and in the future we may provide,
investment banking and other financial services to the Company, the Bidder and Tiancheng International, for which we have received, and would expect to receive, compensation. In particular, we have acted as financial advisor to the Company in connection with the ADMA Transaction and expect to receive compensation for the services provided upon completion of the ADMA Transaction. We are a full service securities firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, we and our affiliates may acquire, hold or sell, for our and our affiliates’ own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of the Company, the Bidder, Tiancheng International and any other company that may be involved in the Transaction, as well as provide investment banking and other financial services to such companies.

It is understood that this letter is for the information of the Management Board and the Supervisory Board only in connection with their consideration of the Offer and does not constitute a recommendation to any shareholder as to how such shareholder should act on the Offer and whether or not such shareholder should tender shares pursuant to the Offer. The Management Board and Supervisory Board may disclose this letter in full as an attachment to their reasoned opinion (Begründete Stellungnahme) to be issued in accordance with Section 27 (1) WpÜG. With the exception of the aforementioned permitted disclosure, this letter may not be disclosed to any person without our prior written consent and is not to be quoted or referred to, in whole or in part nor shall this letter be used for any other purposes, without our prior written consent.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Consideration to be received by the shareholders of the Company, other than OGEL, in the Offer is fair to such shareholders from a financial point of view.

Yours faithfully,

CREDIT SUISSE SECURITIES (EUROPE) LIMITED
FRANKFURT BRANCH

Name: Joachim Ringer
Title: Managing Director

Name: Tibor Kossa
Title: Managing Director