GRIFOLS

Nuria Pascual

Vice President; Corporate Treasury & Investor Relations and Sustainability Officer

Grifols' performance in the first half and particularly this second quarter clearly shows:

- the ongoing efforts we've made to confront the challenges of COVID-19;
- but also our delivery on our commitment to reduce debt;
- our ability to secure long-term growth investing in plasma capacity, innovation and global expansion

Our second-quarter revenues were especially strong, with a 5.3% growth at constant currency thanks to solid performance by Bioscience, Diagnostic and Hospital.

Bioscience revenues grew 5.1% in Q2, a notable improvement after declining 5.6% in the first quarter.

We saw strong demand for all key proteins, including IVIG, SCIG, albumin, alpha-1 and specialty proteins.

Revenue growth was also backed by mid-single digit price increases.

Diagnostic reported another strong quarter and grew double-digit thanks to revenues of the SARS-CoV-2 test and underlying NAT-technology solutions.

Hospital also grew double-digit in Q2 and over the first half, with the Pharmatech and IV therapy lines as the main growth drivers.

Additionally, we'd like the mention the contribution from new products, which represented 5% of our sales in the first half of the year. These results are promising, and we expect to see continued growth.

In terms of gross margin, it was still impacted by a higher cost per liter of plasma.

Our 100-million euro cost-savings plan allowed us to deliver an EBITDA margin of 25%, while increasing our innovation efforts.

Recent strategic acquisitions of roughly 1 billion dollars have increased our leverage ratio.

These are important investments since they'll allow us to secure plasma supply and continue to innovate and expand globally.

Deleveraging is a key priority, as our results can attest: our debt leverage ratio now stands at 4.9x, down from 5.1x in 1Q.

Our agreement with GIC, the sovereign wealth fund of Singapore, is an important step forward in our efforts to deleverage. They'll become a long-term strategic investor for the next 30 years. It will help us reduce our debt leverage ratio by an additional 0.6x from 2Q 2021 levels.

We anticipate a neutral P&L effect and will allocate all proceeds to repay senior debt.

Finally, I would like to focus on what we're doing to ensure plasma supply. After our recent acquisitions and agreements, we've expanded and diversified our supply by 1.4 million liters capacity per year. We'll also continue to work to meet current and projected strong demand.

As of today, plasma collections in Europe are not only ahead of 2020 levels; but also ahead of pre-COVID levels. Collections are on the rise in the U.S. as expected and continue to grow every week.

Regarding recent events along the Southern US border, we've seen an impact in collections but it's not significant at this point. In the meantime, we're working with peers and the PPTA to try to address these issues.

There's no doubt that we'll continue to face challenges in the short term. But our efforts to increase our plasma capacity, optimize our operations, expand into new markets, innovate, and maintain financial discipline, backed by strong demand, leave us well positioned to continue delivering on our commitments and financial performance.

Thank you.