**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**WASHINGTON, D.C. 20549**

# FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2017

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-36728

# ADMA BIOLOGICS, INC.

(Exact Name of Registrant as Specified in Its Charter)

| Delaware | 56-2590442 |
|---|---|
| (State or Other Jurisdiction of Incorporation or Organization) Organization) | (I.R.S. Employer Identification No.) |
| 465 State Route 17, Ramsey, New Jersey | 07446 |
| (Address of Principal Executive Offices) | (Zip Code) |

(201) 478-5552
(Registrant's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

| | |
|---|---|
| Large accelerated filer ☐ | Accelerated filer ☐ |
| Non-accelerated filer ☐ | Smaller reporting company ☒ |
| (Do not check if a smaller reporting company) | Emerging growth company ☒ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 11, 2017, there were 25,793,404 shares of the issuer's common stock outstanding, comprised of 17,202,244 shares of voting common stock and 8,591,160 shares of non-voting common stock.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**

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## Special Note Regarding Forward-Looking Statements

Some of the information in this quarterly report on Form 10-Q contains forward-looking statements within the meaning of the federal securities laws. These statements include, among others, statements about:

- our ability to successfully leverage the anticipated benefits and synergies of our recent acquisition of certain assets from Biotest Pharmaceuticals Corporation ("BPC") , including optimization of the combined businesses, operations and products and services, including liquidity, debt repayment and capital return expectations, as well as the capitalization, resources and ownership structure of the combined company, the nature, strategy and focus of the combined company and the management and governance structure of the combined company;

- our ability to successfully resubmit to the U.S. Food and Drug Administration (the "FDA") our Biologics License Application (the "BLA") for our lead product candidate, RI-002, once the deficiencies identified in the July 2016 Complete Response Letter (the "CRL") have been resolved by us and/or our third party vendors to the satisfaction of the FDA, and other requests for information included therein have been provided by us;

- our plans to develop, manufacture, market, launch and build our own commercial infrastructure and commercialize RI-002 and the success of such efforts;

- the safety, efficacy and expected timing of and our ability to obtain and maintain regulatory approvals for our product candidates, including the timeframe within which we may receive approval from the FDA, if at all, of our BLA for RI-002 and the labeling or nature of any such approvals;

- the achievement of or expected timing, progress and results of clinical development, clinical trials and potential regulatory approvals;

- our ability to resume the manufacturing of Bivigam® once the deficiencies identified in the CRL, and the warning letter issued by the FDA to BPC on November 25, 2014 with respect to the outstanding issues at the manufacturing facility in Boca Raton, Florida which we acquired from BPC in June 2017, have been resolved by us to the satisfaction of the FDA;

- our dependence upon our third-party and related party customers and vendors;

- our ability to obtain adequate quantities of FDA-approved normal source plasma and Respiratory Syncytial Virus ("RSV"), high-titer plasma with proper specifications;

- our plans to increase our supplies of plasma;

- the potential indications for our product candidates;

- potential investigational new product applications;

- the acceptability of RI-002 for any purpose by physicians, patients or payers;

- concurrence by the FDA with our conclusions and the satisfaction by us of its guidance;

- the comparability of results of RI-002 to other comparably run injectable immune globulin clinical trials;

- the potential of RI-002 to provide meaningful clinical improvement for patients living with Primary Immune Deficiency Disease ("PIDD");

- our intellectual property position, including our expectations of the scope of patent protection with respect to RI-002, or other future pipeline product candidates;
- our manufacturing capabilities, third-party contractor capabilities and strategy;
- our plans relating to manufacturing, supply and other collaborative agreements;
- our estimates regarding expenses, capital requirements and the need for additional financing;
- possible or likely reimbursement levels, if any, if and when RI-002 is approved for marketing;
- estimates regarding market size, projected growth and sales as well as our expectations of market acceptance of RI-002;
- future economic conditions or performance; and
- expectations for future capital requirements.

These statements may be found under the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of this quarterly report on Form 10-Q. Forward-looking statements typically are identified by the use of terms such as "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "should," or "will" or the negative thereof or other variations thereof or comparable terminology. You should be aware that our actual results could differ materially from those contained in the forward-looking statements due to the factors referenced above. Any forward-looking statement included or incorporated by reference in this quarterly report on Form 10-Q reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, industry and future growth. Given these uncertainties, you should not place undue reliance on these forward-looking statements. These forward-looking statements speak only as of the dates such statements are made.

In addition to the foregoing, you should also consider carefully the statements under the section entitled "Risk Factors" and other sections of this quarterly report on Form 10-Q, which address additional factors that could cause our actual results to differ from those set forth in the forward-looking statements. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as required by law.

# PART I
# FINANCIAL INFORMATION

**Item 1. Financial Statements.**

## ADMA BIOLOGICS, INC. AND SUBSIDIARIES
## CONDENSED CONSOLIDATED BALANCE SHEETS

| | June 30, 2017 (Unaudited) | December 31, 2016 (Note 2) |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 25,574,009 | $ 9,914,867 |
| Short-term investments | — | 5,390,184 |
| Accounts receivable | 2,292,274 | 1,018,027 |
| Inventories | 13,150,733 | 5,020,146 |
| Prepaid expenses and other current assets | 2,408,459 | 313,914 |
| Assets held for sale | 845,389 | — |
| Total current assets | 44,270,864 | 21,657,138 |
| Property and equipment, net | 28,626,668 | 2,000,784 |
| Intangible assets, net | 6,011,003 | — |
| Goodwill | 3,529,509 | — |
| Assets to be transferred under purchase agreement | 1,698,755 | — |
| Deposits | 502,454 | 27,163 |
| **TOTAL ASSETS** | $ 84,639,253 | $ 23,685,085 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)** | | |
| Current liabilities: | | |
| Accounts payable | $ 4,672,316 | $ 2,564,681 |
| Accrued expenses | 4,143,812 | 2,385,356 |
| Current portion of notes payable | 6,666,667 | 6,111,111 |
| Current portion of deferred revenue | 145,154 | 145,154 |
| Other current liabilities | 17,062 | 16,559 |
| Total current liabilities | 15,645,011 | 11,222,861 |
| Notes payable, net of discount | 9,360,708 | 12,321,640 |
| End of term liability, notes payable | 1,790,000 | 1,790,000 |
| Deferred revenue, net of current portion | 2,618,616 | 2,690,033 |
| Note payable - related party, net of discount | 14,827,148 | — |
| Purchase price payable | 12,621,844 | — |
| Other non-current liabilities | 93,937 | 117,813 |
| **TOTAL LIABILITIES** | 56,957,264 | 28,142,347 |
| **COMMITMENTS AND CONTINGENCIES** | — | — |
| **STOCKHOLDERS' EQUITY (DEFICIT)** | | |
| Preferred Stock, $0.0001 par value, 10,000,000 shares authorized, no shares issued and outstanding | — | — |
| Common Stock - voting, $0.0001 par value, 75,000,000 shares authorized, 17,182,321 and 12,886,741 shares issued and outstanding | 1,719 | 1,289 |
| Common Stock - non-voting, $0.0001 par value, 8,591,160 shares authorized, 8,591,160 and 0 shares issued and outstanding | 859 | — |
| Additional Paid-In Capital | 150,187,687 | 102,476,267 |
| Accumulated Deficit | (122,508,276) | (106,934,818) |
| **TOTAL STOCKHOLDERS' EQUITY (DEFICIT)** | 27,681,989 | (4,457,262) |
| **TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)** | $ 84,639,253 | $ 23,685,085 |

See notes to (unaudited) condensed consolidated financial statements.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**
**(Unaudited)**

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 |
| **REVENUES:** | | | | |
| Product revenue | $ 3,363,692 | $ 2,236,035 | $ 5,956,855 | $ 4,324,213 |
| License and other revenue | 35,709 | 35,709 | 71,417 | 71,417 |
| **Total Revenues** | 3,399,401 | 2,271,744 | 6,028,272 | 4,395,630 |
| **OPERATING EXPENSES:** | | | | |
| Cost of product revenue (exclusive of amortization expense shown below) | 4,334,019 | 1,344,241 | 5,950,306 | 2,610,662 |
| Research and development | 1,358,409 | 3,399,889 | 2,551,136 | 5,427,601 |
| Plasma centers | 1,600,170 | 1,294,301 | 3,079,646 | 2,574,720 |
| Amortization of intangibles | 73,021 | — | 73,021 | — |
| Selling, general and administrative | 4,435,650 | 1,724,163 | 8,713,034 | 3,432,033 |
| **TOTAL OPERATING EXPENSES** | 11,801,269 | 7,762,594 | 20,367,143 | 14,045,016 |
| **LOSS FROM OPERATIONS** | (8,401,868) | (5,490,850) | (14,338,871) | (9,649,386) |
| **OTHER INCOME (EXPENSE):** | | | | |
| Interest income | 7,858 | 12,017 | 26,426 | 25,525 |
| Interest expense | (642,485) | (537,998) | (1,261,013) | (1,005,439) |
| Other income | — | 4,496 | — | 4,496 |
| **OTHER EXPENSE, NET** | (634,627) | (521,485) | (1,234,587) | (975,418) |
| **NET LOSS** | $ (9,036,495) | $ (6,012,335) | $ (15,573,458) | $ (10,624,804) |
| **BASIC AND DILUTED LOSS PER COMMON SHARE** | $ (0.55) | $ (0.50) | $ (1.06) | $ (0.93) |
| **WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:** | | | | |
| **Basic and Diluted** | 16,427,054 | 12,121,500 | 14,666,677 | 11,407,918 |

See notes to (unaudited) condensed consolidated financial statements.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)**
**(Unaudited)**

**For the Six Months Ended June 30, 2017**

| | Common Stock | | | | Additional | | |
|---|---|---|---|---|---|---|---|
| | Voting | | Non-Voting | | Paid-in | Accumulated | |
| | Shares | Amount | Shares | Amount | Capital | Deficit | Total |
| Balance - January 1, 2017 | 12,886,741 | $ 1,289 | — | $ — | $102,476,267 | $(106,934,818) | $ (4,457,262) |
| Stock-based compensation | — | — | — | — | 547,240 | — | 547,240 |
| Shares issued in connection with acquisition | 4,295,580 | 430 | 8,591,160 | 859 | 47,164,180 | — | 47,165,469 |
| Net loss | — | — | — | — | — | (15,573,458) | (15,573,458) |
| Balance - June 30, 2017 | 17,182,321 | $ 1,719 | 8,591,160 | $ 859 | $150,187,687 | $(122,508,276) | $ 27,681,989 |

See notes to (unaudited) condensed consolidated financial statements.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(Unaudited)**

| | Six Months Ended June 30, | |
|---|---|---|
| | **2017** | **2016** |
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Net loss | $ (15,573,458) | $ (10,624,804) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 395,194 | 234,394 |
| Loss on disposal of fixed assets | 4,155 | — |
| Stock-based compensation | 547,240 | 733,125 |
| Amortization of debt discount | 374,389 | 294,498 |
| Amortization of license revenue | (71,417) | (71,417) |
| Changes in operating assets and liabilities, net of acquisition: | | |
| Accounts receivable | (1,274,246) | 97,753 |
| Inventories | 66,766 | (763,553) |
| Prepaid expenses | (1,298,991) | (527,032) |
| Other assets | (475,291) | — |
| Accounts payable | 1,763,025 | 1,034,093 |
| Accrued expenses | 1,384,140 | (363,884) |
| Other current liabilities | (15,280) | (15,280) |
| Net cash used in operating activities | (14,173,774) | (9,972,107) |
| | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Sales of short-term investments | 5,390,184 | — |
| Purchase of short-term investments | — | (4,902,786) |
| Purchase of property and equipment | (96,557) | (58,034) |
| Cash acquired in acquisition transaction | 12,500,000 | — |
| Net cash provided by (used in) investing activities | 17,793,627 | (4,960,820) |
| | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Principal payments on notes payable | (2,777,778) | — |
| Proceeds from issuance of common stock, net of offering expenses | — | 13,072,741 |
| Proceeds from issuance of related party note payable | 15,000,000 | — |
| Proceeds from issuance of note payable | — | 4,000,000 |
| Payment of debt issuance costs | (174,839) | (24,200) |
| Payments of leasehold improvement loan | (8,094) | (7,400) |
| Net cash provided by financing activities | 12,039,289 | 17,041,141 |
| | | |
| **Net increase in cash and cash equivalents** | 15,659,142 | 2,108,214 |
| **Cash and cash equivalents - beginning of period** | 9,914,867 | 10,440,959 |
| **Cash and cash equivalents - end of period** | $ 25,574,009 | $ 12,549,173 |

See notes to (unaudited) condensed consolidated financial statements.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**NOTES TO (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

## 1. ORGANIZATION AND BUSINESS

ADMA Biologics, Inc. ("ADMA" or the "Company") is a vertically integrated biopharmaceutical and specialty immunoglobulin company that develops, manufactures and markets specialty plasma-based biologics for the treatment of immune deficiencies and prevention of certain infectious diseases. The Company's targeted patient populations include immune-compromised individuals who suffer from an underlying immune deficiency disease or who may be immune-suppressed for medical reasons. The Company's products and product candidates are intended to be used by physician specialists focused on caring for immune-compromised patients with or at risk for certain infectious diseases. ADMA operates through its wholly-owned subsidiaries ADMA Plasma Biologics, Inc., ADMA BioManufacturing, LLC ("ADMA BioManufacturing") and ADMA Bio Centers Georgia, Inc. ("ADMA BioCenters"). ADMA BioManufacturing was formed in January 2017 to facilitate the acquisition of the Biotest Therapy Business Unit ("BTBU") of Biotest Pharmaceuticals Corporation ("BPC" and, together with Biotest AG, "Biotest") as more fully described below. ADMA BioCenters is the Company's source plasma collection business, with facilities located in Norcross, GA and Marietta, GA. Each ADMA BioCenters facility has approved licenses with the U.S. Food and Drug Administration (the "FDA") and certifications from the German Health Authority (the "GHA") and the Korean Ministry of Food and Drug Safety. ADMA BioCenters supplies ADMA with a portion of its raw material plasma for the manufacture of RI-002, ADMA's lead product candidate, which the Company is currently developing for the treatment of Primary Immune Deficiency Disease ("PIDD").

As discussed in Note 3, on June 6, 2017, ADMA completed the acquisition of certain assets (the "Biotest Assets") of BTBU, which includes two FDA-licensed products, Nabi-HB® (Hepatitis B Immune Globulin, Human) and Bivigam® (Immune Globulin Intravenous, Human). These products are manufactured at the Company's plasma fractionation facility located in Boca Raton, Florida (the "Boca Facility") acquired in the transaction. The facility is FDA-licensed and certified by the GHA. Immediately following the acquisition, the Biotest Assets were contributed into ADMA BioManufacturing.

In addition to Nabi-HB® and Bivigam®, BTBU also provides contract manufacturing for certain clients, including the sale of intermediate by-products.

Nabi-HB® is a hyperimmune globulin that is rich in antibodies to the hepatitis B virus. Nabi-HB® is indicated for the treatment of acute exposure to blood containing hepatitis B surface antigen ("HBsAg"), prenatal exposure to infants born to HBsAg-positive mothers, sexual exposure to HBs-Ag-positive persons and household exposure to persons with acute hepatitis B virus infection. Bivigam® is an Immune Globulin Intravenous (Human), 10% Liquid, indicated for the treatment of primary humoral immunodeficiency.

FDA approval for Bivigam® was received on December 19, 2012, and sales commenced in the first quarter of 2013. In November 2014, the FDA issued a warning letter to Biotest related to certain issues identified at the Boca Facility. In December 2016, Biotest temporarily suspended the commercial production of Bivigam® in order to focus on the completion of planned improvements to the manufacturing process in response to the November 2014 warning letter issued by the FDA.

Prior to the closing of the acquisition, BTBU was the Company's third-party manufacturer for RI-002. ADMA submitted a Biologics License Application for RI-002 (the "BLA") to the FDA which was accepted for review during the third quarter of 2015. In July 2016, the FDA issued a Complete Response Letter (the "CRL") to the Company for the BLA. The CRL reaffirmed the issues set forth in the November 2014 warning letter, and also identified certain outstanding inspection issues and deficiencies at ADMA's third-party contract manufacturers and vendors and requested documentation of corrections for a number of those issues. The FDA indicated in the CRL that it cannot grant final approval of the BLA until, among other things, these deficiencies are resolved. The CRL did not cite any concerns with the clinical safety and efficacy data for RI-002, nor did the FDA request any additional clinical studies be completed prior to FDA approval of RI-002.

ADMA's highest priority is to remediate the outstanding compliance issues identified at the Boca Facility in the previously issued FDA warning letter. Since receiving the CRL, the Company has worked diligently with its contract fill and finisher and contract testing laboratory, and the Company continues to address the CRL and remediate the outstanding warning letter at the Boca Facility. With the completion of the acquisition of the Biotest Assets, ADMA now has control over the drug substance manufacturing process and the Company anticipates that it will be in a position to refile the BLA for RI-002 in the middle of 2018.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**NOTES TO (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

Concurrent with the closing of the acquisition of the Biotest Assets, the Company received a $15.0 million loan from Biotest evidenced by a 6% subordinated note payable to BPC with a maturity of 5 years (see Note 4), and BPC committed to participate in any future equity offering or private placement undertaken by the Company in an amount equal to $12.5 million.

As of June 30, 2017, the Company had working capital of $28.6 million, including $25.6 million of cash and cash equivalents. Based upon the Company's current projected revenue and expenditures for 2017, including expected consulting fees for warning letter remediation, regulatory and consulting fees associated with RI-002 approval, continuing implementation of the Company's commercialization and expansion activities, as well as certain other assumptions, management currently believes that its cash, cash equivalents, projected revenue and accounts receivable, along with the additional equity commitment from Biotest, are sufficient to fund ADMA's operations, as currently conducted, into the first quarter of 2018. These estimates may change based upon results from the Company's remediation efforts, the timing of any required commercial manufacturing scale up activities, the various financing options ADMA is exploring, including the potential refinancing of its current senior debt which, if achieved on favorable terms, would be expected to allow ADMA to extend its current cash runway from the first quarter of 2018 well into the second half of 2018 and perhaps further, depending on the timing and structuring of the loan facility, or if any other assumptions of the Company change. The Company does not currently have any other firm commitments to obtain additional financing. Furthermore, if the Company's assumptions underlying its estimated expenses and revenues are incorrect, it may have to raise additional capital sooner than currently anticipated.

Due to numerous risks and uncertainties associated with ongoing remediations, the research and development and potential future commercialization of its products and product candidates, the Company is unable to estimate with certainty the amounts of increased capital outlays and operating expenditures associated with its development activities. The Company's current estimates may be subject to change as circumstances regarding its business requirements evolve. The Company may decide to raise capital through public or private equity offerings or debt financings, or obtain a bank credit facility or corporate collaboration and licensing arrangements. The Company does not have any existing commitments for future external funding other than the additional equity commitment from Biotest. The sale of additional equity or debt securities, if convertible, could result in dilution to the Company's stockholders. The incurrence of indebtedness would result in increased fixed obligations and could also result in covenants that would restrict the Company's operations or other financing alternatives. Additional equity or debt financing, grants, or corporate collaboration and potential licensing arrangements may not be available on acceptable terms, if at all. If adequate funds are not available, the Company may be required to delay, reduce the scope of or eliminate the Company's research and development programs, reduce the Company's planned clinical trials and delay or abandon potential commercialization efforts of the Company's lead or other product candidates. The Company has reported losses since inception in June 2004 through June 30, 2017 of $122.5 million. Management believes that the Company will continue to incur net losses and negative net cash flows from operating activities to fund its research and development, commercial programs and meet its obligations on a timely basis through the foreseeable future. As such, these factors raise substantial doubt about the Company's ability to continue as a going concern. The accompanying condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts and the classification of liabilities that might be necessary from the outcome of this uncertainty.

ADMA's long-term liquidity will be dependent upon its ability to raise additional capital, to fund its research and development and commercial programs and meet its obligations on a timely basis. If ADMA is unable to successfully raise sufficient additional capital, it will likely not have sufficient cash flow and liquidity to fund its business operations, forcing ADMA to curtail activities and potentially significantly reduce, or potentially cease, operations. Even if ADMA is able to raise additional capital, such financings may only be available on unattractive terms, resulting in significant dilution of stockholders' interests and, in such event, the value and potential future market price of its common stock may decline.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**NOTES TO (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

There can be no assurance that the Company's research and development will be successfully completed or that any product will be approved or commercially viable. The Company is subject to risks common to companies in the biotechnology industry including, but not limited to, dependence on collaborative arrangements, development by the Company or its competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, and compliance with FDA and other governmental regulations and approval requirements.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Basis of presentation*

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information. Any reference in these notes to applicable guidance is meant to refer to U.S. GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board (the "FASB").

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements and related notes thereto as of and for the year ended December 31, 2016 included in the Company's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the "SEC") on February 24, 2017. These condensed consolidated interim financial statements have been prepared in accordance with the instructions to Form 10-Q and Article 8 of Regulation S-X, and therefore omit or condense certain footnotes and other information normally included in consolidated interim financial statements prepared in accordance with U.S. GAAP. All material intercompany balances and transactions have been eliminated in consolidation. In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all normal and recurring adjustments (which consist primarily of accruals, estimates and assumptions that impact the financial statements) considered necessary to present fairly the Company's financial position as of June 30, 2017 and its results of operations for the three and six months ended June 30, 2017 and 2016 and cash flows for the six months ended June 30, 2017 and 2016. Operating results for the six months ended June 30, 2017 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2017.

*Use of estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the fair value of assets acquired and liabilities assumed in a business combination, valuation of inventory, assumptions used in the fair value determination of stock-based compensation, warrants, and the allowance for the valuation of future tax benefits.

*Business Combinations*

The Company accounts for business combinations using the acquisition method of accounting in accordance with FASB ASC 805, *Business Combinations*. Identifiable assets acquired, liabilities assumed, and contingent consideration are recorded at their acquisition date fair values. Any change in the fair value of the acquisition-related contingent consideration subsequent to the acquisition date, including changes from events after the acquisition date, will be recognized in the period of the estimated fair value change. Goodwill represents the excess of the purchase price over the fair value of identifiable assets acquired and liabilities assumed as a result of the business combination. Identifiable assets with finite lives are amortized over their useful lives. Acquisition related costs are expensed as incurred.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**NOTES TO (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*Fair value of financial instruments*

The carrying amounts of certain of the Company's financial instruments, including cash and cash equivalents, short-term investments and accounts payable, are shown at cost which approximates fair value due to the short-term nature of these instruments. The debt outstanding under the loan and security agreement with Oxford Finance, LLC (see Note 4) approximates fair value due to variable interest rate. With respect to the related party note payable in the amount of $15.0 million as of June 30, 2017 (see Notes 3 and 4), which is held by a principal stockholder of the Company and was issued concurrent with an acquisition transaction with such stockholder, the Company has concluded that an estimation of fair value for this note is not practicable.

*Goodwill*

Goodwill represents the excess of purchase price over the fair value of net assets acquired by the Company. Goodwill at June 30, 2017 and December 31, 2016 was $3.5 million and $0, respectively. All of the Company's goodwill is attributable to its ADMA BioManufacturing business segment. The following table presents the changes in the carrying amount of goodwill during the six months ended June 30, 2017:

| | | |
|---|---|---|
| Balance as of January 1, 2017 | $ | — |
| Goodwill recorded in connection with the acquistion of the Biotest Assets | | 3,529,509 |
| Balance as of June 30, 2017 | $ | 3,529,509 |

Goodwill is not amortized, but assessed for impairment on an annual basis or more frequently if impairment indicators exist. The Company has the option to perform a qualitative assessment of goodwill to determine whether it is more likely than not that the fair value of its reporting units is less than its carrying amount, including goodwill and other intangible assets. If the Company concludes that this is the case, then it must perform a two-step goodwill impairment process.

The first step compares a reporting unit's fair value to its carrying amount to identify potential goodwill impairment. If the carrying amount of a reporting unit exceeds the reporting unit's fair value, the second step of the impairment test must be completed to measure the amount of the reporting unit's goodwill impairment loss, if any. Step two compares the carrying value of the reporting unit's goodwill to its implied fair value, which is the fair value of the reporting unit less the fair value of the unit's assets and liabilities, including identifiable intangible assets. If the implied fair value of goodwill is less than its carrying amount, a goodwill impairment loss is recognized. The Company performs its annual goodwill impairment test as of October 1 of each year.

*Impairment of long-lived assets*

The Company assesses the recoverability of its long-lived assets, which include property and equipment and definite-lived intangible assets, whenever significant events or changes in circumstances indicate impairment may have occurred. If indicators of impairment exist, projected future undiscounted cash flows associated with the asset are compared to its carrying amount to determine whether the asset's value is recoverable. Any resulting impairment is recorded as a reduction in the carrying value of the related asset in excess of fair value and a charge to operating results. For the six months ended June 30, 2017 and 2016, the Company determined that there was no impairment of its long-lived assets.

*Revenue recognition*

Revenues for the six months ended June 30, 2017 are comprised of revenues from Nabi-HB®, product revenues from the sale of normal source human plasma collected from the Company's plasma collection centers segment and license and other revenues are primarily attributable to the out-licensing of RI-002 to Biotest to market and sell in Europe and selected countries in North Africa and the Middle East. Biotest has provided the Company with certain services and financial payments in accordance with the related Biotest license agreement and is obligated to pay the Company certain amounts in the future if certain milestones are achieved. Deferred revenue is recognized over the term of the Biotest license. Deferred revenue is amortized into income for a period of approximately 20 years, the term of the Biotest license agreement.

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Depending on the agreement with the customer, product revenues from the sale of human plasma collected at the Company's plasma collection centers are recognized at the time of transfer of title and risk of loss to the customer, which occurs at the time of shipment. Product revenues are recognized at the time of delivery if the Company retains the risk of loss during shipment. Revenue from license fees and research and development services rendered are recognized as revenue when the performance obligations under the terms of the license agreement have been completed.

Revenue from sales of Nabi-HB® and Bivigam® is recognized when the product reaches the customer's destination. For sales of intermediates, title typically transfers when the product is delivered to a third party warehouse. With all other contract manufacturing, the title transfers to the customer when they take possession of the product from the Boca Facility. As the Company maintains a significant risk of loss throughout the contract manufacturing process, contract manufacturing revenue is not recognized until the product is released and title transfers to the customer. Nabi-HB® revenue is net of estimated customer prompt pay discounts and contractual allowances in accordance with managed care agreements, including wholesaler chargebacks, rebates, customer returns and other wholesaler fees.

For the six months ended June 30, 2017, two of the Company's customers, SK Plasma Co., Ltd. ("SK") and BPC, represented 90% of the Company's total revenues, with BPC representing approximately 75% of the Company's total revenues and SK representing approximately 15% of the Company's total revenues. For the six months ended June 30, 2016, sales to BPC and SK represented 89% and 10%, respectively, of the Company's consolidated revenues.

*Cost of product revenue*

Cost of product revenue includes expenses related to process development as well as scientific and technical operations when these operations are attributable to marketed products. When the activities of these operations are attributable to new products in development, the expenses are classified as research and development expenses. Additionally, expenses associated with remediating the issues noted in the FDA warning letter are expensed as incurred and are reflected in cost of product revenue in the accompanying consolidated statements of operations for the three and six months ended June 30, 2017. As the Boca Facility has not yet resumed production, all operating expenses associated with the facility have been expensed as incurred since acquisition.

*Loss per common share*

Basic net loss per share is computed by dividing net loss attributable to common stockholders by the weighted average number of shares of common stock outstanding during the period. For purposes of computing basic and diluted loss per share, the non-voting class of common stock is included in the common stock outstanding as the characteristics of the non-voting class are substantially the same.

Diluted net loss per share is calculated by dividing net loss attributable to common stockholders as adjusted for the effect of dilutive securities, if any, by the weighted average number of shares of common stock, including the non-voting class of common stock, and dilutive common stock outstanding during the period. Potentially dilutive common stock includes the shares of common stock issuable upon the exercise of outstanding stock options and warrants (using the treasury stock method). Potentially dilutive common stock in the diluted net loss per share computation is excluded to the extent that it would be anti-dilutive. No potentially dilutive securities are included in the computation of any diluted per share amounts as the Company reported a net loss for all periods presented. The aggregate number of potentially dilutive securities upon the exercise of outstanding warrants and stock options was 3.5 million and 1.8 million as of June 30, 2017 and 2016, respectively.

*Stock-based compensation*

The Company follows recognized accounting guidance which requires all equity-based payments, including grants of stock options, to be recognized in the statements of operations as compensation expense, based on their fair values at the date of grant. The Company uses the Black-Scholes option pricing model to determine the fair value of options granted. Compensation expense related to awards to employees and directors with service-based vesting conditions is recognized on a straight-line basis based on the grant date fair value over the associated service period of the award, which is generally the vesting term.

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During the three and six months ended June 30, 2017, the Company granted stock options to purchase 1,674,595 and 1,856,595 shares of common stock, respectively, to its directors and employees. During the three and six months ended June 30, 2016, the Company granted stock options to purchase 15,000 and 100,984 shares of common stock, respectively, to its directors and employees.

*Recent Accounting Pronouncements*

In May 2017, the FASB issued ASU No. 2017-09, *Modification Accounting for Share-Based Payment Arrangements*, which amends the scope of modification accounting for share-based payment arrangements. The ASU provides guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting under ASC 718. Specifically, an entity would not apply modification accounting if the fair value, vesting conditions, and classification of the awards are the same immediately before and after the modification. The ASU is effective for annual reporting periods, including interim periods within those annual reporting periods, beginning after December 15, 2017. Early adoption is permitted, including adoption in any interim period. The Company does not expect this new guidance to have a material impact on its condensed consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-01, *Business Combinations – Clarifying the Definition of a Business*, which clarifies the definition of a business to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The standard introduces a screen for determining when assets acquired are not a business and clarifies that a business must include, at a minimum, an input and a substantive process that contribute to an output to be considered a business. This standard is effective for fiscal years beginning after December 15, 2017, including interim periods within that reporting period. The Company adopted this standard in the second quarter of 2017 and the adoption of this standard did not have a material impact on its condensed consolidated financial statements for the six months ended June 30, 2017.

In January 2017, the FASB issued ASU 2017-04, *Intangibles – Goodwill and Other (Topic 350),* which removes the requirement to compare the implied fair value of goodwill with its carrying amount as part of step 2 of the goodwill impairment test. As a result, under the ASU, an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. The ASU is effective prospectively for fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company does not expect this new guidance to have a material impact on its condensed consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, *Improvements to Employee Share-Based Payment Accounting (Topic 718),* which provides for simplification of certain aspects of employee share-based payment accounting including income taxes, classification of awards as either equity or liabilities, accounting for forfeitures and classification on the statement of cash flows. The Company adopted this standard in the first quarter of 2017 and the adoption of this standard did not have a material impact on its condensed consolidated financial statements as of and for the six months ended June 30, 2017.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842),* which requires lessees to recognize assets and liabilities for the rights and obligations created by most leases on their balance sheet. The guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted. ASU 2016-02 requires modified retrospective adoption for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. The Company is currently evaluating the impact the standard may have on its condensed consolidated financial statements and related disclosures.

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In November 2015, the FASB issued ASU No. 2015-17*, Income Taxes (Topic 740), Balance Sheet Classification of Deferred Taxes*, which includes amendments that require deferred tax liabilities and assets be classified as non-current in a classified statement of financial position. The amendments in this ASU are effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Earlier application is permitted as of the beginning of an interim or annual reporting period. The amendments may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented. The Company adopted this standard in the second quarter of 2017. As the Company carried a full valuation allowance against its deferred tax assets as of June 30, 2017 and December 31, 2016, adoption of this standard did not have a material impact on its condensed consolidated financial statements.

In September 2015, the FASB issued ASU No. 2015-16, *Business Combinations (Topic 805), Simplifying the Accounting for Measurement-Period Adjustments*, which includes amendments that require an acquirer to recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. The amendments in this ASU require that the acquirer record, in the same period's financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of the changes to the provisional amounts, calculated as if the accounting had been completed at the acquisition date. The amendments in this ASU require an entity to present separately on the face of the income statement or disclose in the notes the portion of the amount recorded in current period earnings by line item that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. The amendments in this ASU are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. The amendments should be applied prospectively to adjustments to provisional amounts that occur after the effective date of the ASU with earlier application permitted for financial statements that have not yet been made available for issuance. The Company adopted this standard in the first quarter of 2017 and the adoption of this standard did not have a material impact on its condensed consolidated financial statements as of and for the six months ended June 30, 2017.

In July 2015, the FASB issued ASU 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*. The standard requires entities to measure most inventory "at the lower of cost and net realizable value," thereby simplifying the current guidance under which an entity must measure inventory at the lower of cost or market (market in this context is defined as one of three different measures, one of which is net realizable value). The Company adopted this standard in the first quarter of 2017 and the adoption of this standard did not have a material impact on the Company's condensed consolidated financial statements as and for the six months ended June 30, 2017.

In May 2014, the FASB issued new guidance related to revenue recognition, ASU 2014-09, *Revenue from Contracts with Customers ("ASC 606")*, which outlines a comprehensive revenue recognition model and supersedes most current revenue recognition guidance. The new guidance requires a company to recognize revenue upon transfer of goods or services to a customer at an amount that reflects the expected consideration to be received in exchange for those goods or services. ASC 606 defines a five-step approach for recognizing revenue, which may require a company to use more judgment and make more estimates than under the current guidance. The new guidance becomes effective in calendar year 2018 and early adoption in calendar year 2017 is permitted. Two methods of adoption are permitted: (a) full retrospective adoption, meaning the standard is applied to all periods presented; or (b) modified retrospective adoption, meaning the cumulative effect of applying the new guidance is recognized at the date of initial application as an adjustment to the opening retained earnings balance.

In March 2016, April 2016 and December 2016, the FASB issued ASU No. 2016-08, *Revenue From Contracts with Customers (ASC 606): Principal Versus Agent Considerations*, ASU No. 2016-10, *Revenue From Contracts with Customers (ASC 606): Identifying Performance Obligations and Licensing*, and ASU No. 2016-20, *Technical Corrections and Improvements to Topic 606, Revenue From Contracts with Customers*, respectively, which further clarify the implementation guidance on principal versus agent considerations contained in ASU No. 2014-09. In May 2016, the FASB issued ASU 2016-12, *Revenue from Contracts with Customers*, narrow-scope improvements and practical expedients which provides clarification on assessing the collectability criterion, presentation of sales taxes, measurement date for non-cash consideration and completed contracts at transition. These standards will be effective for the Company beginning in the first quarter of 2018. Early adoption is permitted.

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As of June 30, 2017, the Company has not yet completed its final review of the impact of this new revenue recognition guidance, including the new disclosure requirements, as it is continuing to evaluate the impacts of adoption and the implementation approach to be used. The Company plans to adopt the new standard effective January 1, 2018. The Company continues to monitor additional changes, modifications, clarifications or interpretations being undertaken by the FASB, which may impact its current conclusions.

## 3. ACQUISITION

On June 6, 2017, ADMA completed the acquisition of the Biotest Assets from BPC. As a result of this transaction, the Company acquired Nabi-HB® and Bivigam®, the Boca Facility and certain other assets of BTBU. The acquisition of the Biotest Assets expands the Company's product offering with two FDA-approved products and provides direct control over the manufacturing and regulatory processes impacting the Company's RI-002 product candidate, including remediation of the outstanding FDA warning letter previously issued to Biotest as well as certain other remediation items affecting the Boca Facility. Pursuant to the acquisition, the Company issued to Biotest 4,295,580 voting shares of its common stock and 8,591,160 non-voting shares of common stock. The Company will also transfer ownership of two of its plasma centers to Biotest on January 1, 2019 as additional consideration.

The purchase price was calculated as follows:

| | | |
|---|---|---|
| Issuance of 12,886,740 shares of common stock (voting and non-voting) valued at $3.66 per share | $ | 47,165,468 |
| Transfer of two plasma collection centers | | 12,621,844 |
| Total purchase price | $ | 59,787,312 |

The following table summarizes the preliminary allocation of the purchase consideration to the assets acquired and liabilities assumed based on their estimated fair values:

| | | |
|---|---|---|
| Cash | $ | 12,500,000 |
| Inventory | | 8,197,354 |
| Land and buildings | | 20,000,000 |
| Property and equipment | | 8,209,800 |
| Assets held for sale | | 845,389 |
| Other current assets | | 795,553 |
| Trademark and other intangible rights to Nabi-HB | | 4,100,046 |
| Right to intermediates | | 907,421 |
| Customer contract | | 1,076,557 |
| Goodwill | | 3,529,509 |
| Liabilities assumed | | (374,317) |
| Total purchase price | $ | 59,787,312 |

The Company engaged various third party valuation specialists to determine the fair value of the land and buildings, property and equipment, right to intermediates, customer contract and Nabi-HB® intangible assets, as well as the assets held for sale. Some of the valuations and underlying analyses that were performed are preliminary and are subject to change upon finalization of more detailed analyses of the facts and circumstances that existed at the date of the transaction. Any such changes would change the allocation of the purchase price. Therefore, the foregoing purchase price allocation is preliminary and subject to change within the measurement period.

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Assets held for sale reflects certain manufacturing equipment acquired in the transaction that will not be utilized in the manufacture or development of any of the Company's current products or product candidates. The Company expects that the sale of these assets will be completed within one year from the date of the acquisition transaction. Goodwill is expected to be deductible for tax purposes.

As a result of the foregoing transaction, BPC became a principal stockholder and Biotest became a related party of the Company. Therefore, all transactions with Biotest subsequent to June 6, 2017, including product and license revenues attributable to Biotest (see Note 2), are related party transactions. The results from BTBU's operations are included in the Company's consolidated financial statements from the date of acquisition. The Company incurred a total of approximately $5.7 million in transaction closing costs, which were expensed as incurred. For the three and six months ended June 30, 2017, transaction closing costs amounted to approximately $1.2 million and $3.8 million, respectively.

The following unaudited pro forma summary presents consolidated information of the Company as if the business combination had occurred on January 1, 2016. The pro forma information is presented for informational purposes only and is not necessarily indicative of the results of operations that would have been achieved had the acquisition been consummated as of that time or that may result in the future.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 |
| Revenues: | | | | |
| As reported | $ 3,399,401 | $ 2,271,744 | $ 6,028,272 | $ 4,395,630 |
| Proforma | $ 10,569,393 | $ 22,704,653 | $ 24,292,042 | $ 44,336,311 |
| Net loss | | | | |
| As reported | $ (9,036,495) | $ (6,012,335) | $ (15,573,458) | $ (10,624,804) |
| Proforma | $ (12,751,262) | $ (14,473,470) | $ (24,826,749) | $ (29,073,476) |
| Basic and diluted net loss per share: | | | | |
| As reported | $ (0.55) | $ (0.50) | $ (1.06) | $ (0.93) |
| Proforma | $ (0.49) | $ (0.58) | $ (0.96) | $ (1.20) |

## 4. DEBT

A summary of outstanding senior notes payable is as follows:

| | June 30, 2017 | December 31, 2016 |
|---|---|---|
| Oxford - Gross proceeds | $ 20,000,000 | $ 20,000,000 |
| Paydown of principal balance | (2,777,778) | — |
| | 17,222,222 | 20,000,000 |
| Less: | | |
| Debt discount | (1,194,847) | (1,567,249) |
| Current portion | (6,666,667) | (6,111,111) |
| Senior notes payable | $ 9,360,708 | $ 12,321,640 |

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
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*Senior Notes Payable*

On June 19, 2015, the Company entered into a Loan and Security Agreement (the "LSA") with Oxford Finance, LLC ("Oxford"), for up to $21.0 million of debt financing in two term loan tranches. The first term loan tranche of $16.0 million from the LSA (the "Term A Loan") was primarily used to repay the Company's previous debt facility with Hercules Technology Growth Capital, Inc. dated December 2012. On May 13, 2016, the Company amended the LSA with Oxford (the "Amended LSA") which provided ADMA with an additional $4.0 million term loan (the "Term B Loan"), which brings the total principal amount borrowed to $20.0 million. The outstanding term loans bear interest at a rate per annum equal to the greater of (i) 7.80% and (ii) the sum of (a) the three-month U.S. LIBOR rate (as reported in *The Wall Street Journal*) on the date occurring on the last business day of the month that immediately precedes the month in which the interest will accrue, plus (b) 7.54% on the outstanding principal balance. The effective interest rates for the Term A Loan and the Term B Loan, including backend fees equal to 8.95% of the total funded amount, are 11.4% and 13.04%, respectively. The Company began repaying the principal balance on February 1, 2017 in equal installments for a period of 36 months, unless accelerated as a result of certain events of default. The backend fees are due at the earlier of loan maturity or prepayment. All term loans mature no later than January 1, 2020. The loans are secured by the Company's assets, except for its intellectual property (which is subject to a negative pledge). The LSA contains customary representations, warranties and covenants, including limitations on incurring indebtedness, engaging in mergers or acquisitions and making investments, distributions or transfers. The Company was in compliance with all such covenants as of June 30, 2017.

In the event the Company prepays a term loan for any reason, the Company is obligated to pay a prepayment charge corresponding to a percentage of the principal amount of the applicable term loan prepaid. The Amended LSA further modified the fees payable by the Company on mandatory or voluntary prepayment of a term loan prior to its maturity date as follows: (i) for a prepayment made on or after the funding date of the applicable term loan through and including the first anniversary of its funding date, an amount equal to 3.00% of the principal amount of the term loan prepaid; (ii) for a prepayment made after the first anniversary of the funding date of the applicable term loan through and including the second anniversary of such funding date, an amount equal to 2.00% of the principal amount of such term loan prepaid; and (iii) for a prepayment of a term loan made after the second anniversary of its funding date and prior to its maturity date, an amount equal to 1.00% of the principal amount of the term loan prepaid.

Pursuant to the Amended LSA, (i) the Company paid a total facility fee of $125,000; (ii) certain adjustments were made to the time periods for any applicable prepayment fees; and (iii) certain defined terms were adjusted, including a new February 1, 2017 amortization date. The Amended LSA further provides for customary representations, warranties and covenants for the Company. Except as otherwise amended, the Amended LSA does not alter the terms of the LSA.

*Related Party Note Payable*

A summary of the outstanding related party note payable is as follows:

| | June 30, 2017 | December 31, 2016 |
|---|---|---|
| Biotest - Gross proceeds | $ 15,000,000 | $ — |
| Less: | | |
| Debt discount | (172,852) | — |
| Note payable - related party | $ 14,827,148 | $ — |

In connection with the acquisition of the Biotest Assets (see Note 3), ADMA BioManufacturing issued a subordinated note payable to BPC and in connection therewith received cash proceeds of $15.0 million. The note bears interest at a rate of 6.0% per annum and matures on June 6, 2022. The Company is obligated to make semi-annual interest payments, with all principal and unpaid interest due at maturity. The note is subordinate to the senior note payable with Oxford. In the event of default, all principal and unpaid interest is due on demand. The subordinated note also contains several non-financial covenants with which the Company was in compliance as of June 30, 2017. The Company incurred $0.2 million of debt issuance costs in connection with the issuance of this note, which were recorded as a debt discount. The debt discount is being amortized as interest expense over the term of the note.

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## 5. STOCKHOLDERS' EQUITY (DEFICIT)

In connection with the acquisition of the Biotest Assets (see Note 3) the Company issued 4,295,580 shares of its voting common stock and 8,591,160 shares of its non-voting common stock, respectively. The rights and preferences of the non-voting common are substantially the same as the common stock. BPC is prohibited from selling such shares for six months following the acquisition of BTBU and is thereafter limited to selling shares of the Company in excess of 15% of the outstanding shares of the Company in a 12-month period. The volume sale restriction expires on the three year anniversary from the BTBU acquisition ("Standstill Period"). The non-voting common stock will automatically convert into common stock upon (i) expiration of the Standstill Period, (ii) a liquidation event, (iii) Company insolvency, (iv) a permitted sale and (v) certain dilutive issuances as defined in the Company's amended and restated certificate of incorporation.

On May 3, 2016, the Company completed an underwritten public offering of 2,176,154 shares of its common stock, for gross proceeds of approximately $14.1 million. Net proceeds from this offering were approximately $13.1 million, after payment of underwriting discounts and offering expenses of approximately $1.0 million. The shares were sold under a shelf registration statement on Form S-3 (File No. 333-200638) that was declared effective by the SEC on December 23, 2014.

*Equity incentive plan*

The fair value of stock options granted under the Company's 2007 Employee Stock Option Plan (the "2007 Plan") and the ADMA Biologics, Inc. 2014 Omnibus Incentive Compensation Plan, as amended and restated (the "2014 Plan"), was determined on the date of grant using the Black-Scholes option valuation model. The Black-Scholes model was developed for use in estimating the fair value of publicly traded options, which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected stock price volatility. The stock options granted to employees and directors have characteristics significantly different from those of traded options, and changes in the subjective input assumptions can materially affect the fair value estimate. Because there has been limited data related to the Company's common stock and very little historical experience with the Company's stock options, similar public companies and a pro rata percentage of the Company's common stock were used for calculating ADMA's volatility for comparison and expectations as to the assumptions required for fair value computation using the Black-Scholes methodology. The following assumptions were used to determine the fair value of options granted during the six months ended June 30, 2017 and 2016:

| | Six Months Ended June 30, 2017 | Six Months Ended June 30, 2016 |
|---|---|---|
| Expected term | 5.8 - 6.3 years | 5.8 - 6.3 years |
| Volatility | 51-64% | 51-52% |
| Dividend yield | 0.0 | 0.0 |
| Risk-free interest rate | 1.77-2.29% | 1.54-1.79% |

The weighted average remaining contractual life of stock options outstanding and expected to vest at June 30, 2017 is 8.0 years. The weighted average remaining contractual life of stock options exercisable at June 30, 2017 is 5.3 years.

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A summary of the Company's option activity under the 2007 Plan and 2014 Plan and related information is as follows:

| | Six Months Ended June 30, 2017 | |
|---|---|---|
| | Shares | Weighted Average Exercise Price |
| Outstanding at beginning of period | 1,535,187 | $ 7.90 |
| Forfeited | (62,836) | $ 9.12 |
| Expired | (7,686) | $ 8.92 |
| Granted | 1,856,595 | $ 3.79 |
| Outstanding at end of period and expected to vest | 3,321,260 | $ 5.58 |
| Options exercisable | 1,277,674 | $ 7.66 |

Stock-based compensation expense for the three and six months ended June 30, 2017 and 2016 is as follows:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 |
| Research and development | $ 68,434 | $ 132,277 | $ 121,417 | $ 288,833 |
| Plasma centers | 13,196 | 11,745 | 25,947 | 24,755 |
| General and administrative | 223,973 | 166,923 | 394,116 | 419,537 |
| Cost of goods sold | 5,760 | — | 5,760 | — |
| Total stock-based compensation expense | $ 311,363 | $ 310,945 | $ 547,240 | $ 733,125 |

As of June 30, 2017, the total compensation expense related to unvested options not yet recognized totaled $4,934,857. The weighted average vesting period over which the total compensation expense will be recorded related to unvested options not yet recognized at June 30, 2017 was approximately 3.1 years.

## 6. INVENTORIES

The following table provides the components of inventories:

| | June, 30 2017 | December 31 2016 |
|---|---|---|
| Raw materials | $ 9,376,705 | $ 5,020,146 |
| Finished goods | 3,774,028 | — |
| Total inventories | $ 13,150,733 | $ 5,020,146 |

Inventories are stated at the lower of cost or market with cost being determined on the first-in, first-out method. Finished goods inventories as of June 30, 2017 is comprised of Nabi-HB®, recorded at fair value as part of the purchase price allocation of the Biotest Assets acquired. All activities associated with the production of inventories used in research and development activities are expensed as incurred.

## 7. INTANGIBLE ASSETS

Intangible assets at June 30, 2017 and December 31, 2016 consist of the following:

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
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| | June 30, 2017 | | | December 31, 2016 | | |
|---|---|---|---|---|---|---|
| | Cost | Accumulated Amortization | Net | Cost | Accumulated Amortization | Net |
| Trademark and other intangible rights related to Nabi-HB® | $4,100,046 | $ 39,048 | $4,060,998 | $ — | $ — | $ — |
| Right to intermediates | 907,421 | 8,642 | 898,779 | — | — | — |
| Customer contract | 1,076,557 | 25,331 | 1,051,226 | — | — | — |
| Total | $6,084,024 | $ 73,021 | $6,011,003 | $ — | $ — | $ — |

Under the previous contract manufacturing agreement between ADMA and BPC, intermediate by-products derived from the manufacture of RI-002 were property of Biotest. As a result of the transaction, ADMA now has the right to these intermediate products. The customer contract pertains to a contract manufacturing agreement with a third party that the Company assumed upon the completion of the acquisition of the Biotest Assets. Amortization expense related to these acquisition-related intangible assets for the three months and six months ended June 30, 2017 was $0.1 million. Estimated aggregate future aggregate amortization expense for the next five years is expected to be as follows:

| | |
|---|---|
| Remainder of 2017 | $ 547,657 |
| 2018 | 1,095,314 |
| 2019 | 1,095,314 |
| 2020 | 816,675 |
| 2021 | 715,352 |

## 8. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment and related accumulated depreciation are summarized as follows:

| | June 30, 2017 | December 31, 2016 |
|---|---|---|
| Manufacturing and laboratory equipment | $ 8,176,699 | $ 306,411 |
| Office equipment and computer software | 256,856 | 188,277 |
| Furniture and fixtures | 473,638 | 1,030,257 |
| Leasehold improvements | 78,858 | 2,699,104 |
| Land | 11,700,000 | — |
| Buildings | 8,300,000 | — |
| | 28,986,051 | 4,224,049 |
| Less: Accumulated depreciation and amortization | (359,383) | (2,223,265) |
| | $ 28,626,668 | $ 2,000,784 |

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the asset's estimated useful life. Land is not depreciated. The buildings were assigned a useful life of 30 years. Property and equipment other than land and buildings have useful lives ranging from 3 to 10 years. Leasehold improvements are amortized over the lesser of the lease term or their estimated useful lives.

## 9. RELATED PARTY TRANSACTIONS

The Company leases an office building and equipment from Areth, LLC ("Areth") pursuant to a shared services agreement on a month-to-month basis of which terms were amended by the Company's Board of Directors in June 2016. Rent expense amounted to $48,000 and $71,888 for the three months ended June 30, 2017 and 2016 respectively, and $96,000 for the six months ended June 30, 2017 and 2016. Areth is a company controlled by Dr. Jerrold B. Grossman, the Company's Vice Chairman, and Adam S. Grossman, the Company's President and Chief Executive Officer, and the Company pays Areth monthly fees for the use of such office space and for other information technology, general warehousing and administrative services. The Company also reimburses Areth for office and building related (common area) expenses, equipment and certain other operational expenses, which have not been material to the condensed consolidated financial statements for the six months ended June 30, 2017 and 2016. The Company maintains deposits and other accounts at Pascack Bankcorp, a bank of which Dr. Grossman served as a director through January 2016, and which was approximately 5%-owned by members of the Grossman family. Pascack Bankcorp was acquired by Lakeland Bancorp, Inc. in January 2016 and Dr. Grossman is currently a member of the Corporate Advisory Council of Lakeland Bancorp Inc.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**NOTES TO (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

As of June 30, 2017, the Company has a $15.0 million subordinated note payable to BPC (see Note 4), and recognized approximately $60,000 of interest expense on this note for the three and six months ended June 30, 2017.

For the three and six months ended June 30, 2017 and 2016, the Company recognized revenues under its out-licensing agreement with Biotest of $35,708 and $71,417, respectively. Deferred revenue of $2,761,450 and $2,832,867 as of June 30, 2017 and December 31, 2016 is related to this agreement.

Biotest is the Company's largest customer for the sale of normal source plasma. Plasma sales to Biotest for the three and six months ended June 30, 2017 were approximately $2.4 million and $4.5 million, respectively. Plasma sales to Biotest for the three and six months ended June 30, 2016 were approximately $1.8 million and $3.8 million, respectively. Accounts receivable includes approximately $1.2 million and $1.0 million due from Biotest as of June 30, 2017 and December 31, 2016, respectively. Additionally, Biotest is a supplier of RSV plasma to ADMA, with the Company purchasing approximately $0.3 million and $0.9 million of RSV plasma in the six months ended June 30, 2017 and 2016, respectively. Included in accounts payable is approximately $48,000 and $82,000 due to Biotest as of June 30, 2017 and December 31, 2016, respectively. The following table summarizes the related party balances with Biotest:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 |
| **Sale and purchase of plasma** | | | | |
| Product revenue | $ 2,362,059 | $ 1,781,428 | $ 4,454,274 | $ 3,840,190 |
| Purchases | 141,754 | 382,685 | 324,140 | 888,255 |
| **License revenue** | 35,708 | 35,708 | 71,417 | 71,417 |
| **Interest expense** | 60,000 | — | 60,000 | — |

| | June 30, 2017 | December 31, 2016 |
|---|---|---|
| Accounts receivable | $ 1,209,733 | $ 969,675 |
| Accounts payable | 48,466 | 82,427 |
| Accrued expenses | 797,070 | — |
| Note payable | 15,000,000 | — |
| Accrued interest | 60,000 | — |
| Deferred revenue | 2,761,450 | 2,832,867 |

In connection with the acquisition of the Biotest Assets, the Company entered into a Transition Services Agreement with BPC pursuant to which each of the Company and BPC agreed to provide transition services to the other party, including services related to finance, human resources, information technologies, leasing of equipment and clinical and regulatory services for a period of up to 24 months after the June 6, 2017 closing date, as well as agreements to lease certain laboratory space within the Boca Facility to BPC for a period of up to 24 months after the closing date of the acquisition transaction. As of June 30, 2017, $797,010 was payable by the Company to BPC for services rendered and expenses incurred on behalf of the Company related to these agreements. This amount is reflected in accrued expenses in the accompanying consolidated balance sheet.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
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Under the terms of the acquisition of the Biotest Assets, the Company will transfer two plasma collection centers to BPC on January 1, 2019. The purchase price payable of $12.6 million as of June 6, 2017 represents the fair value of this obligation.

## 10. COMMITMENTS AND CONTINGENCIES

*General Legal Matters*

The Company is and may become subject to certain legal proceedings and claims arising in connection with the normal course of its business. In the opinion of management, there are currently no claims that would have a material adverse effect on its consolidated financial position, results of operations or cash flows.

*Operating leases*

In connection with the acquisition of the Biotest Assets, the Company assumed two warehouse leases in Boca Raton, FL for additional storage space for raw materials, spare parts and other supplies related to its business. These leases expire on December 31, 2017 and July 31, 2018, respectively. The aggregate minimum lease payments for these two leases are approximately $9,000 per month. Additionally, in September 2016, BPC entered into a lease for 36 months for certain specialized equipment related to process development. This equipment is utilized by the Company and the Company reimburses BPC in the approximate amount of $3,500 per month.

On February 17, 2017, ADMA BioCenters entered into a lease (the "Lease") with Home Center Properties, LLC, a Georgia limited liability company ("Landlord"), for approximately 12,167 square feet located at 166 Earnest W. Barrett Parkway, Marietta, GA (the "Premises"). ADMA BioCenters will utilize the Premises as a facility specializing in the collection of human plasma and blood, general office administration and any other related use. The Lease has an initial term of approximately eight years and nine months (the "Initial Term"), commencing upon substantial completion of "Landlord's Work" (as defined in the Lease) (the "Lease Commencement Date"), with rent payments commencing 150 days after the Lease Commencement Date. The Lease Commencement Date is July 1, 2017. ADMA BioCenters' total monthly cost of the Premises (inclusive of Landlord's "Operating Costs", "Taxes" and "Insurance Charges" (as such terms are defined in the Lease)) will range from approximately $20,000 to $27,000 during the Initial Term. Provided that the Lease is in full force and effect and that there has been no event of default (as defined in the Lease) beyond the expiration of any applicable notice and cure period, ADMA BioCenters has the option to extend the term of the Lease for two additional periods of five years each (each, an "Extension Term"), each Extension Term on the same terms, covenants and conditions as the Lease, with the rent for each Extension Term to equal the mutually agreed fair market value of the Premises on the commencement of such Extension Term. The Lease also contains customary default provisions, representations, warranties and covenants.

*Contract manufacturing agreement*

In connection with the acquisition of the Biotest Assets, the Company acquired all of the rights and assumed all of the obligations under an existing agreement with a third party related to the fractionation of plasma provided by the third party. The agreement terminates on December 31, 2020, with 2020 being a wind-down year. All other years have minimum production requirements as well as a payment due to the counterparty to the contract of $1.5 million per year if a minimum of 11 batches are not manufactured in that year.

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**NOTES TO (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*Contract filler agreement*

The Company has an agreement with a third party to fill and package its plasma for sale to customers. BTBU's agreement with this same contract filler to package Nabi-HB® and Bivigam® was not assigned to ADMA in the acquisition of the Biotest Assets. This contract filler is the only provider approved by the FDA to fill and package these products. The Company is currently working with the contract filler to amend its current agreement to include Nabi-HB® and Bivigam® in the existing ADMA contract. At this time, the Company is not able to determine the impact that the proposed amendment would have on the overall terms of the contract.

*Post-marketing commitments*

In connection with the approval of the BLA for Bivigam®, on December 19, 2012 Biotest committed to perform two additional post-marketing studies. The first is a pediatric study to evaluate the efficacy and safety of Bivigam® in children and adolescents, and the second is a post-authorization safety study to further assess the potential risk of hypotension and hepatic and renal impairment in Bivigam®-treated patients with Primary Humoral Immunodeficiency. These studies are still pending completion, ADMA has assumed the remaining obligations, and the costs of the studies will be expensed as they are incurred. The Company currently expects both studies to be completed by the end of 2021. However, the timing of the completion of these studies is dependent upon the availability of Bivigam® and the completion of the planned manufacturing process improvements.

## 11. SEGMENTS

The Company is engaged in the development, manufacturing and commercialization of human plasma and plasma-derived therapeutics. The Company's ADMA BioManufacturing segment reflects the Company's immune globulin manufacturing and development operations in Florida, acquired on June 6, 2017 (see Note 3). The Plasma Collection Centers segment consists of two FDA-licensed source plasma collection facilities located in Georgia, with a third collection center scheduled to open in late 2017 (see Note 10). The Company defines its segments as those business units whose operating results are regularly reviewed by the chief operating decision maker ("CODM") to analyze performance and allocate resources. The Company's CODM is its President and Chief Executive Officer. Summarized financial information concerning reportable segments is shown in the following tables:

**Three Months Ended June 30, 2017**

| | ADMA BioManufacturing | Plasma Collection Centers | Corporate | Consolidated |
|---|---|---|---|---|
| Revenues | $ 539,223 | $ 2,824,470 | $ 35,708 | $ 3,399,401 |
| Cost of product revenue | 2,498,856 | 1,835,163 | — | 4,334,019 |
| Gross (loss) profit | (1,959,633) | 989,307 | 35,708 | (934,618) |
| Loss from operations | (3,118,300) | (610,864) | (4,672,704) | (8,401,868) |
| Other expense, net | (61,987) | — | (572,640) | (634,627) |
| Net loss | (3,180,287) | (610,864) | (5,245,344) | (9,036,495) |
| Total assets | 65,913,839 | 2,101,977 | 16,623,437 | 84,639,253 |
| Depreciation and amortization expense | 158,398 | 103,703 | 15,031 | 277,132 |

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**NOTES TO (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Three Months Ended June 30, 2016**

| | ADMA BioManufacturing | Plasma Collection Centers | Corporate | Consolidated |
|---|---|---|---|---|
| Revenues | $ — | $ 2,236,036 | $ 35,708 | $ 2,271,744 |
| Cost of product revenue | — | 1,344,241 | — | 1,344,241 |
| Gross profit | — | 891,795 | 35,708 | 927,503 |
| Loss from operations | — | (402,507) | (5,088,343) | (5,490,850) |
| Other expense, net | — | — | (521,485) | (521,485) |
| Net loss | — | (402,507) | (5,609,828) | (6,012,335) |
| | — | | | |
| Total assets | — | 2,509,903 | 29,232,086 | 31,741,989 |
| Depreciation and amortization expense | — | 102,330 | 13,671 | 116,001 |

**Six Months Ended June 30, 2017**

| | ADMA BioManufacturing | Plasma Collection Centers | Corporate | Consolidated |
|---|---|---|---|---|
| Revenues | $ 539,223 | $ 5,417,632 | $ 71,417 | $ 6,028,272 |
| Cost of product revenue | 2,498,856 | 3,451,450 | — | 5,950,306 |
| Gross profit | (1,959,633) | 1,966,182 | 71,417 | 77,966 |
| Loss from operations | (3,118,300) | (1,113,464) | (10,107,107) | (14,338,871) |
| Other expense, net | (61,987) | — | (1,172,600) | (1,234,587) |
| Net loss | (3,180,287) | (1,113,464) | (11,279,707) | (15,573,458) |
| Capital expenditures | — | 81,294 | 15,263 | 96,557 |
| Depreciation and amortization expense | 158,398 | 207,343 | 29,453 | 395,194 |

**ADMA BIOLOGICS, INC. AND SUBSIDIARIES**
**NOTES TO (UNAUDITED) CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Six Months Ended June 30, 2016**

| | ADMA BioManufacturing | Plasma Collection Centers | Corporate | Consolidated |
|---|---|---|---|---|
| Revenues | $ — | $ 4,324,213 | $ 71,417 | $ 4,395,630 |
| Cost of product revenue | — | 2,610,662 | — | 2,610,662 |
| Gross profit | — | 1,713,551 | 71,417 | 1,784,968 |
| Loss from operations | — | (861,169) | (8,788,217) | (9,649,386) |
| Other expense, net | — | — | (975,418) | (975,418) |
| Net loss | — | (861,169) | (9,763,635) | (10,624,804) |
| | — | | | |
| Capital expeditures | — | 32,733 | 25,301 | 58,034 |
| Depreciation and amortization expense | — | 207,519 | 26,875 | 234,394 |

The “Corporate” column above includes general and administrative overhead expenses. Total assets included in the “Corporate” column above includes assets related to corporate and support functions.

## 12. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Supplemental cash flow information for the six months ended June 30, 2017 and 2016 is as follows:

| | | |
|---|---|---|
| **SUPPLEMENTAL CASH FLOW INFORMATION:** | | |
| Cash paid for interest | $ 833,515 | $ 681,470 |
| **Noncash Financing and Inesting Activities:** | | |
| Assets acquired through the issuance of common stock and liabilities assumed | $ 60,161,629 | $ — |
| Equipment acquired through related party payable | $ 344,610 | $ — |
| Accrued equity issuance costs | $ — | $ 172,200 |
| Accrued debt issuance costs | $ — | $ 22,904 |
| End of term liability for Oxford Note Payable | $ — | $ 358,000 |
| Warrants issued in connection with note payable | $ — | $ 86,300 |

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

*The following discussion, which refers to our historical results, should be read in conjunction with the other sections of this Quarterly Report on Form 10-Q, including "Risk Factors" and the consolidated financial statements and other consolidated financial information included elsewhere herein, and in conjunction with the Management's Discussion and Analysis of Financial Condition and Results of Operations set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 . The various sections of this discussion contain a number of forward-looking statements, all of which are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this quarterly report on Form 10-Q. See "Special Note Regarding Forward-Looking Statements." Our actual results may differ materially.*

### Overview

ADMA Biologics, Inc. ("ADMA", the "Company", "we", "our" or "us") is a vertically integrated biopharmaceutical and specialty immunoglobulin company that develops, manufactures and markets specialty plasma-based biologics for the treatment of immune deficiencies and prevention of certain infectious diseases. Our targeted patient populations include immune-compromised individuals who suffer from an underlying immune deficiency disorder or who may be immune-suppressed for medical reasons. Our product candidates are intended to be used by physician specialists focused on caring for immune-compromised patients with or at risk for certain infectious diseases.

On June 6, 2017, we completed the acquisition of certain assets (the "Biotest Assets") of the Therapy Business Unit ("BTBU") of Biotest Pharmaceuticals Corporation ("BPC" and, together with Biotest AG, "Biotest"), which includes two United States Food and Drug Administration (the "FDA") licensed products, Nabi-HB® (Hepatitis B Immune Globulin, Human) and Bivigam® (Immune Globulin Intravenous, Human) (the "Biotest Transaction"). These products are manufactured at the Company's plasma fractionation facility located in Boca Raton, Florida (the "Boca Facility") acquired in the Biotest Transaction. The facility is FDA-licensed and certified by the German Health Authority. Immediately following the acquisition, the Biotest Assets were contributed into our ADMA BioManufacturing, LLC ("ADMA BioManufacturing") subsidiary.

Nabi-HB® is a hyperimmune globulin that is rich in antibodies to the hepatitis B virus. Nabi-HB® is indicated for the treatment of acute exposure to blood containing hepatitis B surface antigen ("HBsAg"), prenatal exposure to infants born to HBsAg-positive mothers, sexual exposure to HBs-Ag-positive persons and household exposure to persons with acute hepatitis B virus infection. Bivigam® is an Immune Globulin Intravenous (Human), 10% Liquid, indicated for the treatment of primary humoral immunodeficiency. In addition to Nabi-HB® and Bivigam®, ADMA also provides contract manufacturing for certain clients, including the sale of intermediate by-products.

Concurrent with the closing of the acquisition of the Biotest Assets, the Company received a $15.0 million loan from Biotest evidenced by a 6% subordinated note payable to BPC with a maturity of 5 years (see Note 4 to the consolidated financial statements), and BPC committed to participate in any future equity offering or private placement undertaken by the Company in an amount equal to $12.5 million.

*Our Lead Product Candidate – RI-002*

We are currently developing our lead product candidate, RI-002, for the treatment of PIDD, and have completed a pivotal Phase III clinical study. RI-002 is derived from human plasma blended from normal donors and donors tested to have high levels of neutralizing titers to Respiratory Syncytial Virus ("RSV"). RI-002 is manufactured using a process called fractionation, which purifies immune globulins, or IgG, from this blended plasma pool resulting in a final Intravenous Immune Globulin, or IVIG, product enriched with naturally occurring polyclonal anti-pathogen antibodies (e.g., streptococcus pneumonia, H. influenza type B, Cytomegalovirus or CMV, measles, tetanus, etc.). We use our proprietary RSV microneutralization assay to test for standardized levels of neutralizing antibodies to RSV in the final drug product.

In the third quarter of 2015, the FDA accepted for review our Biologics License Application (the "BLA") for RI-002 for the treatment of PIDD. In July 2016, the FDA issued a Complete Response Letter (the "CRL"). The CRL did not cite any concerns with the clinical safety or efficacy data for RI-002 submitted in the BLA, nor did the FDA request any additional clinical studies be completed prior to FDA approval of RI-002. The FDA identified in the CRL, among other things, certain outstanding inspection issues and deficiencies relating to Chemistry, Manufacturing and Controls, or CMC, at our then-third party contract manufacturer and the Boca Facility which, at the time, was owned by BPC, and requested documentation of corrections for a number of those issues. The FDA indicated in the CRL that it cannot grant final approval of the BLA until, among other things, these deficiencies are resolved. Since receiving the CRL, we have worked diligently with our contract fill and finisher as well as the contract testing laboratory. Both prior to the closing of the Biotest Transaction and thereafter, we have continued our efforts to address the CRL and remediate the outstanding warning letter, Good Manufacturing Practices ("GMP") inspection deficiencies and other matters at the Boca Facility. Our highest priority is to remediate the outstanding compliance issues identified at the Boca Facility in the previously issued FDA warning letter, and we plan to be inspection-ready for the FDA by the end of 2017.

We continue to collaborate with vendors to identify solutions to outstanding issues identified in the CRL. We are currently preparing documentation for an additional submission to the FDA to address the CRL. With the completion of the Biotest Transaction, we now have control over the drug substance manufacturing process and we anticipate that we will be in a position to refile the BLA for RI-002 in the middle of 2018.

*Nabi-HB®*

Nabi-HB® is a hyperimmune globulin that is rich in antibodies to the Hepatitis B virus. Nabi-HB® is a purified human polyclonal antibody product collected from plasma donors who have been previously vaccinated with a hepatitis B vaccine. When administered, the hepatitis B antibody contained in Nabi-HB® binds to the Hepatitis B virus and triggers its clearance by the body's immune system. Nabi-HB® has a well-documented record of long-term safety and effectiveness since its initial market introduction. Nabi-HB® is indicated for the treatment

of acute exposure to blood containing Hepatitis B surface antigen ("HBsAg"), prenatal exposure to infants born to HBsAg-positive mothers, sexual exposure to HBsAg-positive persons and household exposure to persons with acute hepatitis B virus infection. Hepatitis B is a potentially life-threatening liver infection caused by the Hepatitis B virus. It is a major global health problem. It can cause chronic infection and puts people at high risk of death from cirrhosis and liver cancer.

*Bivigam®*

Bivigam® is an intravenous immune globulin, indicated for the treatment of primary humoral immunodeficiency. This includes, but is not limited to, agammaglobulinemia, common variable immunodeficiency, Wiskott-Aldrich syndrome and severe combined immunodeficiency. These primary immunodeficiencies ("PIs") are a group of genetic disorders. Initially thought to be very rare, it is now believed that as many as one in every 1,200-2,000 people has some form of PI. Bivigam® contains a broad range of antibodies similar to those found in normal human plasma. These antibodies are directed against bacteria and viruses, and help to protect PI patients against serious infections. Bivigam® is a purified, sterile, ready-to-use preparation of concentrated human immunoglobulin G ("IgG") antibodies. Antibodies are proteins in the human immune system that work to defend against disease. FDA approval for Bivigam® was received on December 19, 2012, and sales commenced in the first quarter of 2013. In December 2016, BPC temporarily suspended the commercial production of Bivigam® in order to focus on the completion of planned improvements to the process. Bivigam® is not expected to be available for sale throughout the remainder of 2017.

*Evaluation of PIDD Patients*

PIDD, a genetic disorder that causes a deficient or absent immune system, is caused by hereditary or genetic defects and can affect anyone regardless of age or gender. PIDD patients are more vulnerable to infections and more likely to suffer complications from these infections. IVIG is a plasma derived product that is used to prevent serious infections in patients with PIDD. It is comprised of polyclonal antibodies, which are proteins produced by B-cells that are used by the body's immune system to neutralize foreign objects such as bacteria and viruses. It is estimated that there are about 250,000 diagnosed PIDD patients in the U.S., approximately half of whom are treated with IVIG regularly. In the U.S., sales of immune globulin products for all its uses were reported to be approximately $4.8 billion in 2014.

The RI-002 pivotal Phase III clinical trial was conducted as a single arm study in which patients were treated approximately once per month for a period of 12 months plus 90 days for follow up. Fifty-nine patients were enrolled in nine treatment centers in the U.S. The pivotal Phase III primary endpoint followed published FDA industry guidance, which provides for a reduction in the incidence of serious infections to less than one per year in each subject receiving IVIG. The secondary outcome was safety and included other pharmacokinetic, or PK, data collection points including antibody titers for certain agents, including RSV antibody levels at various time points after infusion.

RI-002 demonstrated positive results in the Phase III study in patients with PIDD, meeting its primary endpoint, of no Serious Bacterial Infections, or SBI, reported. RI-002 was administered in a total of 793 infusions with zero serious adverse events to 59 patients in nine treatment centers throughout the U.S. These results, included in the BLA, more than meet the requirement specified by FDA guidance of ≤ 1 SBI per patient-year.

On February 22, 2015, at the 2015 American Academy of Allergy, Asthma & Immunology Annual Meeting, scientific investigators reported on the secondary outcomes that included: a total of 93 days, or 1.66 days per patient per year lost from work or school due to infection; one hospitalization due to an infection of only five days duration in the entire study and IgG trough levels above those required by the FDA for IVIG products. Additionally, there was a marked increase in all of the measured specific anti-pathogen antibodies in PK subjects (n=31). The mean of maximum fold increases in specific antibody levels after infusion of RI-002 ranged from 1.9 fold (S. pneumonia type 19A) to 5.3 fold (RSV), which were statistically significant fold increases from the pathogen's specific measured baselines. The safety profile of RI-002 is comparable to that of other immunoglobulins.

*Rationale for the Potential Evaluation in RSV Infected Patients*

RSV is a common virus that ordinarily leads to mild, cold-like symptoms in healthy adults and children. In high-risk groups, such as the PIDD population and the other immune-compromised populations, RSV can lead to a more serious infection and may even cause death. The polyclonal antibodies which are present in RI-002 are expected to prevent infections in immune-compromised patients.

We previously conducted a randomized, double-blind, placebo-controlled Phase II clinical trial to evaluate RI-001, RI-002's predecessor product candidate, in immune-compromised, RSV-infected patients. This trial was conducted with 21 patients in the U.S., Canada, Australia, and New Zealand. The Phase II dose-ranging trial demonstrated a statistically significant improvement in the change from baseline RSV titers to day 18 in the high dose and low dose treatment groups when compared with placebo (p=0.0043 and p=0.0268, respectively). The mean fold increase for high dose was 9.24 (95% CI 4.07, 21.02) and the observed mean fold increase for low dose was 4.85 (95% CI 2.22, 10.59). The mean fold change for placebo treated patients was 1.42 (95% CI 0.64, 3.17). In addition, more patients in the high dose (85.7%) and low dose (42.9%) groups experienced greater than a four-fold increase from baseline to day 18 in RSV titer levels compared to placebo (0%). There were no serious drug-related adverse events reported during the trial.

From April 2009 through February 2011, RI-001 was also administered to 15 compassionate use patients where physicians requested access to the product for treating their patients with documented lower respiratory tract RSV infections due to the fact that these patients had failed conventional therapeutic interventions. Serum samples were obtained from 13 patients. Samples showed that patients demonstrated a four-fold or greater rise in RSV antibody titers from baseline. Serum samples were not obtained from two patients that received Palivizumab. All 11 patients who received RI-001 within 4.2 days after the onset of the diagnosis of RSV survived. The drug was well-tolerated in all 15 patients and there were no reports of serious adverse events attributable to RI-001. Data from our Phase II clinical trial, compassionate use experience and data obtained from the evaluation of RI-002 in the infected cotton rat animal model has been presented at various conferences the past several years.

Based on these results, we intend to evaluate RI-002 for the treatment of RSV patients following FDA approval, if received, for treatment of PIDD.

*Commercialization*

While we are working towards remediating the warning letter and other GMP inspection deficiencies and eventually refiling the BLA resubmission for RI-002, we expect to continue our commercialization efforts and plan to increase our initiatives by hiring a small, specialty sales force to market Nabi-HB®, Bivigam® upon its relaunch and, upon approval by the FDA, RI-002 to hospitals, physician offices/clinics, and other specialty treatment organizations. We anticipate staffing our company with additional personnel for patient support, medical affairs, quality assurance, regulatory affairs, scientific affairs, reimbursement, inventory and logistics, human resources and financial and operational management. If and when we receive FDA approval, we may also use a network of national distributors to assist with order fulfillment for RI-002 for use by healthcare professionals and hospitals.

*Intellectual Property*

During the second quarter of 2015, U.S. Pat. App. Serial No. 14/592,721, entitled 'Compositions and Methods for the Treatment of Immunodeficiency', encompassing our RI-002 product, was allowed and issued August 18, 2015 as U.S. Patent No. 9,107,906. The '906 patent has a term at least through January 2035 and covers compositions comprising pooled plasma, as well as immunoglobulin prepared therefrom, that contains a standardized, elevated titer of RSV neutralizing antibodies as well as elevated levels of antibodies specific for one or more other respiratory pathogens, as well as methods of making and using the compositions. Our proprietary methods allow us to effectively identify and isolate donor plasma with high-titer RSV neutralizing antibodies and to standardize RI-002's antibody profile, which we believe may enable us to garner a premium price.

During the third quarter of 2017, U.S. Pat. App. Serial No. 14/790,872, entitled 'Compositions and Methods for the Treatment of Immunodeficiency', encompassing immunotherapeutic methods of using immune globulin compositions proprietary to ADMA, was allowed and issued July 25, 2017 as U.S. Patent No. 9,714,283. The '283 patent has a term at least through January 2035.

*Plasma Collection Facilities*

Our wholly-owned subsidiary, ADMA Bio Centers Georgia, Inc., ("ADMA BioCenters"), operates two FDA-licensed, German Health Authority, or GHA, and Korean Ministry of Food and Drug Safety, or MFDS, certified source plasma collection facilities located in Norcross, GA and Marietta, GA, which provide us with a portion of our blood plasma for the manufacture of RI-002. A typical plasma collection center, such as those operated by ADMA BioCenters, can collect approximately 30,000 to 50,000 liters of source plasma annually, which may be sold for different prices depending upon the type of plasma, quantity of purchase, and market conditions at the time of sale. Plasma collected from ADMA BioCenters' two Georgia facilities that is not used for making RI-002 is sold to third-party customers in the U.S., and other locations where we are approved globally under supply agreements or in the open "spot" market.

As part of the purchase price to acquire the Biotest Assets, we have agreed to transfer ownership of our two existing plasma collection facilities to BPC on January 1, 2019. We are in the process of opening a third plasma collection facility in Georgia, which we expect will become operational by the end of 2017.

**Financial Operations Overview**

***Revenues***

Revenues for the three and six months ended June 30, 2017 are comprised of Nabi-HB® product revenues, product revenues from the sale of normal source human plasma collected from our plasma collection centers segment and license and other revenues which are initially recorded as deferred revenue and amortized into income over the terms of the respective agreements. In exchange for the out-licensing of RI-002 to market and sell in Europe and selected countries in North Africa and the Middle East, Biotest has provided us with certain services and a financial payment received in accordance with the related license agreement and is obligated to pay us certain amounts in the future if certain milestones are achieved.

A significant amount of our revenues are attributed to a single customer, BPC. For the six months ended June 30, 2017, two of our customers, SK Plasma Co., Ltd. ("SK") and BPC, represented approximately 90% of our total revenues, with BPC representing 75% of our total revenues and SK representing 15% of our total revenues. Product revenues from the sale of human plasma collected at our FDA-licensed plasma collection centers are recognized at the time of transfer of title and risk of loss to the customer, which occurs, depending on the agreement with the customer, at the time of shipment or at the time of delivery if we retain the risk of loss during shipment. Revenue from license fees and research and development services rendered are recognized as revenue when the performance obligations under the terms of the license agreement have been completed.

***Cost of Product Revenue***

Cost of product revenue includes manufacturing salaries and wages, indirect overhead charges and consulting fees associated with remediating the outstanding warning letter with the FDA, which are expensed as incurred. As the Boca Facility has not yet resumed production, all operating expenses associated with the facility have been expensed as incurred since acquisition.

***Research and Development Expenses***

Research and development ("R&D") expenses consist of clinical research organization costs, costs related to our clinical trials, consulting expenses relating to regulatory and medical affairs, quality assurance and control, assay development, ongoing testing costs, drug product manufacturing including the cost of plasma, plasma storage and transportation costs, as well as wages, benefits and stock-based compensation for employees directly related to the R&D of RI-002. All R&D costs are expensed as incurred.

The process of conducting preclinical studies, clinical trials and regulatory activities necessary to obtain FDA approval is costly and time consuming. The probability of success for each product candidate and clinical trial may be affected by a variety of factors, including, among others, the quality of the product candidate's early clinical data, investment in the program, competition, regulatory, manufacturing capabilities and commercial viability. As a result of the uncertainties discussed above, the uncertainties associated with clinical trial enrollments and the risks inherent in the development process, we are unable to determine the duration and completion costs of current or future clinical stages of our product candidates or when, or to what extent, we will generate revenues from the commercialization and sale of any of our product candidates. Development timelines, probability of success and development costs vary widely. For the six months ended June 30, 2017, R&D expenses decreased as compared to the six months ended June 30, 2016 due to lower validation, testing and production costs related to RI-002.

In connection with the approval of the BLA for Bivigam® on December 19, 2012, BTBU committed to perform two additional post-marketing studies. The first is a pediatric study to evaluate the efficacy and safety of Bivigam® in children and adolescents, and the second is a post-authorization safety study to further assess the potential risk of hypotension and hepatic and renal impairment in Bivigam®-treated patients with Primary Humoral Immunodeficiency. These studies are pending completion, and the costs of the studies will be expensed as they are incurred. We currently expect both studies to be completed by the end of 2021. However, the timing of the completion of these studies is dependent upon the availability of Bivigam® and the completion of the planned manufacturing process improvements.

***Selling, General and Administrative Expenses***

Selling, general and administrative ("SG&A") expenses consist of costs related to the Biotest Transaction, wages, salaries, stock-based compensation and benefits for senior management and staff unrelated to R&D, legal fees, accounting and auditing fees, commercialization and marketing activities, information technology, investor relations fees, rent, maintenance and utilities, insurance, travel and other expenses related to the general operations of our business. For the three and six months ended June 30, 2017, SG&A expenses primarily increased as a result of expenses incurred in connection with the Biotest Transaction, including fees paid for legal, accounting, and financial advisory fees related to the issuance of a fairness opinion and due diligence fees.

***Other Income and Expense***

Interest income consists of interest earned on our cash and cash equivalents and short-term investments. Interest expense consists of interest incurred on our notes payable and term loan, as well as the amortization of end of term fees, back end fees, value of warrants issued, facility and financing fees.

**Results of Operations**

***Three Months Ended June 30, 2017 Compared to Three Months Ended June 30, 2016***

*Summary table*

The following table presents a summary of the changes in our results of operations for the three months ended June 30, 2017 compared to the three months ended June 30, 2016:

| | Three Months Ended June 30, | | Percentage Increase/ (Decrease) |
|---|---|---|---|
| | 2017 | 2016 | |
| Revenues | $ 3,399,401 | $ 2,271,744 | 50% |
| Cost of product revenue (exclusive of amortization expense shown below) | 4,334,019 | 1,344,241 | 222% |
| Gross (loss) profit | (934,618) | 927,503 | -201% |
| Research and development expenses | 1,358,409 | 3,399,889 | -60% |
| Plasma center operating expenses | 1,600,170 | 1,294,301 | 24% |
| Amortization of intangibles | 73,021 | — | NM |
| Selling, general and administrative expenses | 4,435,650 | 1,724,163 | 157% |
| Loss from operations | (8,401,868) | (5,490,850) | 53% |
| Other expense, net | (634,627) | (521,485) | 22% |
| Net loss | $ (9,036,495) | $ (6,012,335) | 50% |

***Revenues***

We recorded total revenues of $3,399,401 during the three months ended June 30, 2017 compared to $2,271,744 during the three months ended June 30, 2016. Total revenues include sales of: (i) Nabi-HB® in the amount of $539,223 for 2017, net of chargebacks and discounts, with no comparable amount in 2016, (ii) product revenue of $2,824,470 for the three months ended June 30, 2017, which is attributable to our ADMA BioCenters plasma collection centers segment and derived from the sale of human source plasma, compared to product revenue of $2,236,036 for the three months ended June 30, 2016 and (iii) license and other revenue in the amount of $35,708 for the three months ended June 30, 2017 and 2016, which pertains to services and financial payments provided by Biotest in accordance with our license agreement. The increase in product revenue of $588,434 for the three months ended June 30, 2017 was primarily attributable to increased sales generated from our plasma supply agreement with SK, under which SK purchases normal source plasma from ADMA BioCenters. The normal source plasma and high-titer RSV plasma which we did not sell was allocated to inventory in anticipation of commercial manufacturing. We have not generated any revenue from our therapeutics research and development business.

***Cost of Product Revenue***

Cost of product revenue was $4,334,019 for the three months ended June 30, 2017, and $1,344,241 for the three months ended June 30, 2016. The increase in cost of product revenue of $2,989,778 for the three months ended June 30, 2017 was primarily attributable to manufacturing costs related to the Boca Facility, the production of Nabi-HB®, third-party consultant fees pertaining to the remediation efforts in response to the warning letter and increased revenues generated by our plasma collection centers.

***Research and Development Expenses***

R&D expenses were $1,358,409 for the three months ended June 30, 2017, a decrease of $2,041,480 as compared to $3,399,889 for the three months ended June 30, 2016. The decrease is primarily the result of lower validation, testing and production costs related to RI-002 in 2017, due to receipt of the CRL from the FDA during the third quarter of 2016.

***Plasma Center Operating Expenses***

Plasma center operating expenses were $1,600,170 for the three months ended June 30, 2017, an increase of $305,869 as compared to $1,294,301 for the three months ended June 30, 2016. Plasma center operating expenses consist of: general and administrative plasma center costs; overhead comprised of rent, maintenance, utilities, wages, stock-based compensation and benefits for center staff, plasma collection supplies, plasma transportation and storage (off-site); advertising and promotion expenses and computer software fees related to donor collections. The increase in plasma center expenses is attributable to hiring additional staff and increasing the hours of operations at our Marietta, GA location during the first quarter of 2017. We expect that as plasma collection increases, our operating expenses will increase accordingly.

***Selling, General and Administrative Expenses***

SG&A expenses were $4,435,650 for the three months ended June 30, 2017, an increase of $2,711,487 from $1,724,163 for the three months ended June 30, 2016. SG&A expenses primarily increased due to transaction costs of $1,205,126, including fees paid for legal, accounting and financial advisory services related to due diligence and other costs associated with the acquisition of the Biotest Assets and the issuance of a fairness opinion, as well as higher employee compensation costs of approximately $500,000. In addition, the inclusion of BTBU resulted in an additional $969,154 of SG&A expenses in 2017.

***Loss from Operations***

Our operating loss was $8,401,868 for the three months ended June 30, 2017, as compared to $5,490,850 for the three months ended June 30, 2016. The increase in operating loss was mainly due to the higher SG&A expenses and to the manufacturing costs associated with the Boca Facility in 2017 of approximately $2 million reflected in cost of product revenue, partially offset by lower R&D expenses. Loss from operations also includes $73,021 for amortization of intangible assets recognized in the Biotest Transaction.

***Other Income (Expense); Interest Expense***

Other expense, net was $634,627 for the three months ended June 30, 2017, compared to $521,485 for the three months ended June 30, 2016. The increase of $113,142 is primarily related to increased interest expense and debt discount amortization resulting from an increase of $4,000,000 to our current debt in the second quarter of 2016 and to interest on the note payable to Biotest of approximately $60,000.

***Net Loss***

Net loss was $9,036,495 for the three months ended June 30, 2017, an increase of $3,024,160 from $6,012,335 for the three months ended June 30, 2016, primarily as a result of the increase in operating loss and, to a lesser extent, the increase in interest expense.

***Six Months Ended June 30, 2017 Compared to Six Months Ended June 30, 2016***

*Summary table*

The following table presents a summary of the changes in our results of operations for the six months ended June 30, 2017 compared to the six months ended June 30, 2016:

| | Six Months Ended June 30, | | Percentage Increase/ (Decrease) |
|---|---|---|---|
| | 2017 | 2016 | |
| Revenues | $ 6,028,272 | $ 4,395,630 | 37% |
| Cost of product revenue (exclusive of amortization expense shown below) | 5,950,306 | 2,610,662 | 128% |
| Gross profit | 77,966 | 1,784,968 | -96% |
| Research and development expenses | 2,551,136 | 5,427,601 | -53% |
| Plasma center operating expenses | 3,079,646 | 2,574,720 | 20% |
| Amortization of intangibles | 73,021 | — | NM |
| Selling, general and administrative expenses | 8,713,034 | 3,432,033 | 154% |
| Loss from operations | (14,338,871) | (9,649,386) | 49% |
| Other expense, net | (1,234,587) | (975,418) | 27% |
| Net loss | $ (15,573,458) | $ (10,624,804) | 47% |

***Revenues***

We recorded total revenues of $6,028,272 during the six months ended June 30, 2017 compared to $4,395,630 during the six months ended June 30, 2016. Total revenues include sales of: (i) Nabi-HB® in the amount of $539,223 for 2017, net of chargebacks and discounts, with no comparable amount in 2016, (ii) product revenue of $5,417,632 for the six months ended June 30, 2017 attributable to our ADMA BioCenters plasma collection centers segment, compared to product revenue of $4,324,213 for the six months ended June 30, 2016, and (iii) license and other revenue in the amount of $71,417 for the six months ended June 30, 2017 and 2016 in accordance with our license agreement with Biotest. The increase in product revenue of $1,093,419 for the six months ended June 30, 2017 was primarily attributable to increased sales generated from our plasma supply agreement with SK, under which SK purchases normal source plasma from ADMA BioCenters.

***Cost of Product Revenue***

Cost of product revenue was $5,950,306 for the six months ended June 30, 2017, and $2,610,662 for the six months ended June 30, 2016, an increase of $3,339,644. Cost of product revenue for the three and six months ended June 30, 2017 includes approximately $2 million of costs associated with the Boca Facility, including fees paid to third-party consultants providing remediation services for the warning letter. The remainder of the increase is primarily attributable to the manufacturing of Nabi-HB® and increased plasma center revenues.

***Research and Development Expenses***

R&D expenses were $2,551,136 for the six months ended June 30, 2017, a decrease of $2,876,465 as compared to $5,427,601 for the six months ended June 30, 2016. The decrease in R&D expenses for the six months ended June 30, 2017 is primarily the result of lower validation, testing and production costs related to RI-002 due to receipt of the CRL from the FDA during the third quarter of 2016.

***Plasma Center Operating Expenses***

Plasma center operating expenses were $3,079,646 for the six months ended June 30, 2017, an increase of $504,926 as compared to $2,574,720 for the six months ended June 30, 2016. The increase in plasma center expenses is attributable to hiring additional staff and increasing the hours of operations at our Marietta, GA location during the first quarter of 2017.

***Selling, General and Administrative Expenses***

SG&A expenses were $8,713,034 for the six months ended June 30, 2017, an increase of $5,281,001 from $3,432,033 for the six months ended June 30, 2016. G&A expenses primarily increased due to transaction costs of $3,774,971, including fees paid for legal, accounting and financial advisory services related to due diligence and other costs associated with the acquisition of the Biotest Assets and the issuance of a fairness opinion, as well as increased employee compensation costs of approximately $500,000. In addition, the inclusion of BTBU resulted in an additional $969,154 of SG&A expenses in 2017.

***Loss from Operations***

Our operating loss was $14,338,871 for the six months ended June 30, 2017, an increase of $4,689,485 from $9,649,386 for the six months ended June 30, 2016. The increase was mainly the result of the increase in SG&A expenses, as well as lower gross profit attributable to operating costs of the Boca Facility which were not present in 2016, partially offset by lower R&D expenses.

***Other Income (Expense); Interest Expense***

Other expense, net was $1,234,587 for the six months ended June 30, 2017, compared to $975,418 for the six months ended June 30, 2016. The increase of $259,169 is primarily related to increased interest expense, including amortization of debt discount, resulting from the increase of $4,000,000 to our current debt in the second quarter of 2016 and the note payable to BPC.

***Net Loss***

Net loss was $15,573,458 for the six months ended June 30, 2017, an increase of $4,948,654 from $10,624,804 for the six months ended June 30, 2016. The increase was mainly due to the increase in operating loss and interest expense.

**Liquidity and Capital Resources**

As of June 30, 2017, the Company had working capital of $28.6 million, consisting primarily of $25.6 million of cash and cash equivalents, $2.3 million of accounts receivable, $13.2 million of inventories, $0.8 million of assets held for sale and $2.4 million of prepaid expenses, partially offset by the current portion of notes payable in the amount of $6.7 million, $4.7 million of accounts payable, $4.1 million of accrued expenses and $0.2 million of deferred revenue and other current liabilities.

We have had limited revenue from operations, we have incurred cumulative losses of $122.5 million since inception and for the six months ended June 30, 2017 and 2016 we had negative cash flows from operations of $14.2 million and $10.0 million, respectively. We have funded our operations to date primarily from the sale of our equity securities, loans from venture debt lenders, acquisition proceeds and loans from our primary stockholders. In May 2016, we completed an underwritten public offering of our common stock and we received net proceeds of approximately $12.9 million. Also in May 2016, we amended our Loan and Security Agreement (the "LSA") with Oxford Finance, LLC ("Oxford") and borrowed an additional $4.0 million. In June 2017, we received $27.5 million in connection with the Biotest Transaction, including a cash infusion from BPC into the acquired business in the amount of $12.5 million and an unsecured subordinated 6% note payable to BPC in the amount of $15.0 million. In addition, BPC has provided us with a firm equity commitment to invest an additional $12.5 million in future equity financings of the Company. Our funds are being used and have been used: to conduct clinical trials; to manufacture drug products; to collect and procure plasma; to test plasma donors for RSV titers; to file our BLA for RI-002; to conduct pre-launch activities; for commercialization and marketing activities; for the buildout and expansion of our plasma centers; for expenses related to the Biotest Transaction, remediation of the warning letter at the Boca Facility and the remainder for payment of existing accounts payable; for selling, general and administrative expenses and research and development expenses; and for other business activities and general corporate purposes.

***Future Financing Needs***

We expect to continue to spend substantial amounts on product development, quality and regulatory activities, procuring raw material plasma, manufacturing, conducting clinical trials for our product candidates and purchasing clinical trial materials from our suppliers. We currently anticipate that, based upon our projected revenue and expenditures, our current cash and cash equivalents and accounts receivable, along with the additional equity commitment from Biotest, will be sufficient to fund our operations into the first quarter of 2018. In order to have sufficient cash to fund our operations thereafter and to continue as a going concern, we will need to raise additional equity or debt financing by the end of the first quarter of 2018. This time frame may change based upon how quickly we are able to execute on our quality management systems' remediation plans for the ADMA BioManufacturing operations, commercial manufacturing scale up activities and the various financing options we are exploring, including the potential refinancing of our current senior debt which, if achieved on favorable terms, would be expected to allow us to extend our current cash runway from the first quarter of 2018 well into the second half of 2018 and perhaps further, depending on the timing and structuring of the loan facility. We currently have no firm commitments for additional financing other than the equity commitment from Biotest, and we cannot provide any assurance that we will be able to secure additional financing on terms that are acceptable to us, or at all. Failure to secure any necessary financing in a timely manner and on commercially reasonable terms could have a material adverse effect on our business plan and financial performance and we could be forced to delay, discontinue our product development, clinical trial or commercialization activities, delay or discontinue the approval efforts for any of our potential products, or potentially cease operations. In addition, we could be forced to reduce or forego sales and marketing efforts and forego attractive business opportunities.

Furthermore, if the assumptions underlying our estimated expenses are incorrect, we may have to raise additional capital sooner than anticipated. Because of numerous risks and uncertainties associated with the research and development and potential future commercialization of our product candidates, we are unable to estimate with certainty the amounts of increased capital outlays and operating expenditures associated with our anticipated clinical trials and development activities. Our current estimates may be subject to change as circumstances regarding our business requirements evolve. We may decide to raise capital through public or private equity offerings and such financings may only be available on unattractive terms, resulting in significant dilution of stockholders' interests and, in such event, the value and potential future market price of our common stock may decline. We may also decide to obtain debt financing or a bank credit facility or to enter into corporate collaboration and licensing arrangements. The sale of additional equity or debt securities, if convertible, could result in dilution to our current stockholders. The incurrence of additional indebtedness would result in increased fixed obligations and could also result in covenants that would restrict our operations or other future financing alternatives.

Our long-term liquidity depends upon our ability to raise additional capital, to fund our research and development and commercial programs and meet our obligations on a timely basis. We believe that we will continue to incur losses and negative cash flows from operating activities through the foreseeable future. As such, these conditions raise substantial doubt about our ability to continue as a going concern.

**Cash Flows**

The following table sets forth a summary of our cash flows for the periods indicated:

| | Six Months Ended June 30, | |
|---|---|---|
| | **2017** | **2016** |
| Net cash used in operating activities | $ (14,173,774) | $ (9,972,107) |
| Net cash provided by (used in) investing activities | 17,793,627 | (4,960,820) |
| Net cash provided by financing activities | 12,039,289 | 17,041,141 |
| Net change in cash and cash equivalents | 15,659,142 | 2,108,214 |
| | | |
| Cash and cash equivalents - beginning of period | 9,914,867 | 10,440,959 |
| Cash and cash equivalents - beginning of period | $ 25,574,009 | $ 12,549,173 |

***Net Cash Used in Operating Activities***

The following table illustrates the primary components of our cash flows from operations:

| | Six Months Ended June 30, | |
|---|---|---|
| | **2017** | **2016** |
| Net loss | $ (15,573,458) | $ (10,624,804) |
| Non-cash expenses, gains and losses | 1,249,561 | 1,190,600 |
| Changes in accounts receivable | (1,274,246) | 97,753 |
| Changes in inventories | 66,766 | (763,553) |
| Changes in prepaid expenses | (1,298,991) | (527,032) |
| Changes in accounts payable and accrued expenses | 3,147,165 | 670,209 |
| Other | (490,571) | (15,280) |
| Cash used in operations | $ (14,173,774) | $ (9,972,107) |

Cash used in operations increased by $4,201,667, mainly due to the higher net loss, increase in accounts receivable and higher increases in prepaid expenses and security deposits primarily associated with the acquisition of the Biotest Assets, partially offset by larger increases in accounts payable and accrued expenses.

***Net Cash Used in Investing Activities***

Net cash provided by investing activities was $17,793,627 for the six months ended June 30, 2017, which reflects the $12,500,000 of cash received by us in connection with the acquisition of the Biotest Assets, and the redemptions of short-term investments in the amount of $5,390,184.

Net cash used in investing activities was $4,960,820 for the six months ended June 30, 2016, which was related to the purchase of short-term investments of $4,902,786 and $58,034 in purchases of computers and equipment.

***Net Cash Provided by Financing Activities***

Net cash provided by financing activities totaled $12,039,289 for the six months ended June 30, 2017, which primarily consisted of $15,000,000 received from the issuance of the note payable to BPC, partially offset by repayments on the principal balances of our notes payable to Oxford, which the Company became obligated to begin repaying over 36 months beginning February 1, 2017 in accordance with the terms of the LSA, as amended.

Net cash provided by financing activities totaled $17,041,141 for the six months ended June 30, 2016, which primarily consisted of $13,072,741 of net proceeds received from the issuance of common stock during the second quarter of 2016 and $4,000,000 received from Oxford during the second quarter of 2016.

**Effect of Inflation**

Inflation did not have a significant impact on our net sales, revenues or net loss in 2014, 2015 or 2016, or for the six months ended June 30, 2017.

**Recent Accounting Pronouncements**

In May 2017, the Financial Accounting Standards Board (the "FASB") issued Accounting Standard Update ("ASU") No. 2017-09, *Modification Accounting for Share-Based Payment Arrangements*, which amends the scope of modification accounting for share-based payment arrangements. The ASU provides guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting under ASC 718. Specifically, an entity would not apply modification accounting if the fair value, vesting conditions, and classification of the awards are the same immediately before and after the modification. The ASU is effective for annual reporting periods, including interim periods within those annual reporting periods, beginning after December 15, 2017. Early adoption is permitted, including adoption in any interim period. We do not expect this new guidance to have a material impact on our condensed consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-01, *Business Combinations – Clarifying the Definition of a Business*, which clarifies the definition of a business to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The standard introduces a screen for determining when assets acquired are not a business and clarifies that a business must include, at a minimum, an input and a substantive process that contribute to an output to be considered a business. This standard is effective for fiscal years beginning after December 15, 2017, including interim periods within that reporting period. We adopted this standard in the second quarter of 2017 and the adoption of this standard did not have a material impact on our condensed consolidated financial statements as of and for the six months ended June 30, 2017.

In January 2017, the FASB issued ASU 2017-04, *Intangibles – Goodwill and Other (Topic 350),* which removes the requirement to compare the implied fair value of goodwill with its carrying amount as part of step 2 of the goodwill impairment test. As a result, under the ASU, "an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. The ASU is effective prospectively for fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. We do not expect this new guidance to have a material impact on our condensed consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, *Improvements to Employee Share-Based Payment Accounting (Topic 718)*, which provides for simplification of certain aspects of employee share-based payment accounting including income taxes, classification of awards as either equity or liabilities, accounting for forfeitures and classification on the statement of cash flows. We adopted this standard in the first quarter of 2017 and the adoption of this standard did not have a material impact on our condensed consolidated financial statements as of and for the six months ended June 30, 2017.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires lessees to recognize assets and liabilities for the rights and obligations created by most leases on their balance sheet. The guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted. ASU 2016-02 requires modified retrospective adoption for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. We are currently evaluating the impact that the standard may have on our condensed consolidated financial statements and related disclosures.

In November 2015, the FASB issued ASU No. 2015-17, *Income Taxes (Topic 740), Balance Sheet Classification of Deferred Taxes*, which includes amendments that require deferred tax liabilities and assets be classified as non-current in a classified statement of financial position. The amendments in this ASU are effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Earlier application is permitted as of the beginning of an interim or annual reporting period. The amendments may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented. We adopted this standard in the second quarter of 2017. Because we carry a full valuation allowance against our deferred tax assets as of June 30, 2017 and December 31, 2016, adoption of this standard did not have a material impact on our condensed consolidated financial statements.

In September 2015, the FASB issued ASU No. 2015-16, *Business Combinations (Topic 805), Simplifying the Accounting for Measurement-Period Adjustments*, which includes amendments that require an acquirer to recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. The amendments in this ASU require that the acquirer record, in the same period's financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of the changes to the provisional amounts, calculated as if the accounting had been completed at the acquisition date. The amendments in this ASU require an entity to present separately on the face of the income statement or disclose in the notes the portion of the amount recorded in current period earnings by line item that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. The amendments in this ASU are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. The amendments should be applied prospectively to adjustments to provisional amounts that occur after the effective date of the ASU with earlier application permitted for financial statements that have not yet been made available for issuance. We adopted this standard in the first quarter of 2017 and the adoption of this standard did not have a material impact on our condensed consolidated financial statements as of and for the six months ended June 30, 2017.

In July 2015, the FASB issued ASU 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*. The standard requires entities to measure most inventory "at the lower of cost and net realizable value," thereby simplifying the current guidance under which an entity must measure inventory at the lower of cost or market (market in this context is defined as one of three different measures, one of which is net realizable value). We adopted this standard in the first quarter of 2017 and the adoption of this standard did not have a material impact on our condensed consolidated financial statements as of and for the six months ended June 30, 2017.

In May 2014, the FASB issued new guidance related to revenue recognition, ASU 2014-09, *Revenue from Contracts with Customers ("ASC 606")*, which outlines a comprehensive revenue recognition model and supersedes most current revenue recognition guidance. The new guidance requires a company to recognize revenue upon transfer of goods or services to a customer at an amount that reflects the expected consideration to be received in exchange for those goods or services. ASC 606 defines a five-step approach for recognizing revenue, which may require a company to use more judgment and make more estimates than under the current guidance. The new guidance becomes effective in calendar year 2018 and early adoption in calendar year 2017 is permitted. Two methods of adoption are permitted: (a) full retrospective adoption, meaning the standard is applied to all periods presented; or (b) modified retrospective adoption, meaning the cumulative effect of applying the new guidance is recognized at the date of initial application as an adjustment to the opening retained earnings balance.

In March 2016, April 2016 and December 2016, the FASB issued ASU No. 2016-08, *Revenue From Contracts with Customers (ASC 606): Principal Versus Agent Considerations*, ASU No. 2016-10, *Revenue From Contracts with Customers (ASC 606): Identifying Performance Obligations and Licensing*, and ASU No. 2016-20, *Technical Corrections and Improvements to Topic 606, Revenue From Contracts with Customers*, respectively, which further clarify the implementation guidance on principal versus agent considerations contained in ASU No. 2014-09. In May 2016, the FASB issued ASU 2016-12, *Revenue from Contracts with Customers*, narrow-scope improvements and practical expedients which provides clarification on assessing the collectability criterion, presentation of sales taxes, measurement date for non-cash consideration and completed contracts at transition. These standards will be effective for the Company beginning in the first quarter of 2018. Early adoption is permitted.

As of June 30, 2017, we has not yet completed its final review of the impact of this guidance including the new disclosure requirements, as we are continuing to evaluate the impacts of adoption and the implementation approach to be used. We plan to adopt the new standard effective January 1, 2018. We continue to monitor additional changes, modifications, clarifications or interpretations being undertaken by the FASB, which may impact our current conclusions.

**Critical Accounting Policies and Estimates**

On April 5, 2012, the Jumpstart Our Business Startups Act, or the JOBS Act, was signed into law. The JOBS Act contains provisions that, among other things, reduce certain reporting requirements for qualifying public companies. We could be an emerging growth company until December 31, 2018, which is the last day of the fiscal year following the fifth anniversary of the first sale of our common equity securities pursuant to an effective registration statement under the Securities Act. However, if certain events occur prior to the end of such five-year period, including if we become a "large accelerated filer," our annual gross revenues exceed $1 billion or we issue more than $1 billion of non-convertible debt in any three-year period, we would cease to be an emerging growth company prior to the end of such five-year period. As an "emerging growth company," we may, under Section 7(a)(2)(B) of the Securities Act, delay adoption of new or revised accounting standards applicable to public companies until such standards would otherwise apply to private companies. We may take advantage of this extended transition period until the first to occur of the date that we (i) are no longer an "emerging growth company" or (ii) affirmatively and irrevocably opt out of this extended transition period. We have elected to take advantage of the benefits of this extended transition period. Our condensed consolidated financial statements may therefore not be comparable to those of companies that comply with such new or revised accounting standards. Until the date that we are no longer an "emerging growth company" or affirmatively and irrevocably opt out of the exemption provided by Securities Act Section 7(a)(2)(B), upon issuance of a new or revised accounting standard that applies to our condensed consolidated financial statements and that has a different effective date for public and private companies, we will disclose the date on which adoption is required for non-emerging growth companies and the date on which we will adopt the recently issued accounting standard. As an emerging growth company, we are also exempt from the requirement to have our independent auditors provide an attestation report on our internal control over financial reporting.

This Management's Discussion and Analysis of Financial Condition and Results of Operations is based on our condensed consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. On an ongoing basis, we evaluate these estimates and assumptions, including those described below. We base our estimates on our historical experience and on various other assumptions that we believe to be reasonable under the circumstances. These estimates and assumptions form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results and experiences may differ materially from these estimates.

Some of the estimates and assumptions we have to make under GAAP require difficult, subjective and/or complex judgments about matters that are inherently uncertain and, as a result, actual results could differ from those estimates. Due to the estimation processes involved, the following summarized accounting policies and their application are considered to be critical to understanding our business operations, financial condition and results of operations.

**Stock-Based Compensation**

Stock-based compensation cost is measured at grant date, based on the estimated fair value of the award, and is recognized as expense over the employee's requisite service period on a straight-line basis.

We account for stock options granted to non-employees on a fair value basis using the Black-Scholes option pricing method. The noncash charge to operations for non-employee options with vesting is revalued at the end of each reporting period based upon the change in the fair value of the options and amortized to consulting expense over the related contract service period.

For purposes of valuing stock options granted to our employees, non-employees and directors and officers through the six months ended June 30, 2017, we used the Black-Scholes option pricing model. We granted options to purchase an aggregate of 1,856,595 and 100,984 shares of common stock during the six months ended June 30, 2017 and 2016, respectively. To determine the risk-free interest rate, we utilized the U.S. Treasury yield curve in effect at the time of the grant with a term consistent with the expected term of our awards. The expected term of the options granted is in accordance with Staff Accounting Bulletins 107 and 110, which is based on the average between vesting terms and contractual terms. The expected dividend yield reflects our current and expected future policy for dividends on our common stock. The expected stock price volatility for our stock options was calculated by examining the pro rata historical volatilities for similar publicly traded industry peers and the trading history for our common stock. We will continue to analyze the expected stock price volatility and expected term assumptions.

**Research and Development Costs**

Our R&D costs are expensed as incurred, including costs associated with (i) planning and conducting clinical trials; (ii) drug product manufacturing, including the cost of plasma, plasma storage and transportation costs; (iii) quality testing, validation, regulatory consulting and filing fees; and (iv) employees' compensation expenses directly related to R&D activities.

**Revenue Recognition**

Depending on the agreement with the customer, revenue from the sale of human plasma collected by ADMA BioCenters is recognized at the time of transfer of title and risk of loss to the customer, which usually occurs at the time of shipment. Product revenue is recognized at the time of delivery if we retain the risk of loss during shipment. Our current product revenues are substantially attributable to two customers. One customer accounted for 75% and another customer accounted for 15% of our product revenues for the six months ended June 30, 2017. Although we expect this concentration to decrease over the remainder of the year as additional sales of Nabi-HB® are reflected in our consolidated financial statements, these two customers are still expected to account for a significant portion of our revenues. Revenue from license fees and research and development services rendered are recognized as revenue when the performance obligations under the terms of the license agreement with Biotest have been completed.

**Off-Balance Sheet Arrangements**

None.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

Not applicable.

**Item 4. Controls and Procedures.**

**Evaluation of Disclosure Controls and Procedures**

We designed our disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), to provide reasonable assurance that information required to be disclosed by us in reports we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the U.S. Securities and Exchange Commission's (the "SEC") rules and forms, and (ii) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures. We are currently integrating the business processes and information systems in effect prior to the closing of the Biotest Transaction with those of ADMA BioManufacturing, including internal controls. In accordance with guidance issued by the SEC, companies are allowed to exclude acquisitions from their assessment of internal controls over financial reporting during the first year subsequent to the acquisition while integrating the acquired operations.

Under the supervision of and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures as of June 30, 2017. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures as of June 30, 2017 are functioning effectively to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding disclosures. Our evaluation excluded the Biotest Assets, which were acquired on June 6, 2017 and were immediately contributed into ADMA BioManufacturing. At June 30, 2017, ADMA BioManufacturing had total assets (unaudited) of $65.9 million.

A control system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the control system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. We do not expect that our disclosure controls and procedures or our internal control over financial reporting are able to prevent with certainty all errors and all fraud.

**Changes in Internal Control Over Financial Reporting**

There have been no changes in our internal control over financial reporting during the quarter ended June 30, 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II
## OTHER INFORMATION

### Item 1. Legal Proceedings.

We are and may become subject to certain legal proceedings and claims arising in connection with the normal course of our business. In the opinion of management, there are currently no claims that would have a material adverse effect on our consolidated financial position, results of operations or cash flows.

### Item 1A. Risk Factors.

*There are numerous and varied risks that may prevent us from achieving our goals. We believe that the following are the material risks that we face. If any of the following risks actually occurs, our business, financial condition or results of operations may be materially adversely affected. In such case, the trading price of our common stock could decline and investors in our common stock could lose all or part of their investment.*

**Risks Relating to our Business**

***To date, we have generated limited product revenues, we have a history of losses and will need to raise additional capital to operate our business, which may not be available on favorable terms, if at all.***

To date, we have generated nearly all of our revenues from our plasma collections facilities derived from the sale of plasma, as well as our other plasma inventory sales. Unless and until we receive approval from the FDA and other regulatory authorities for our RI-002 product candidate, we do not expect to sell and generate revenue from the commercialization of RI-002 and we will be required to raise additional funds through the sale of equity and/or debt securities or otherwise to, among others, establish a commercial salesforce, infrastructure and recognize any significant sales.

Our long term liquidity will depend upon our ability to raise additional capital, fund our research and development and commercial programs, establish and build out a commercial sales force and commercial infrastructure and meet our ongoing obligations. If we are unable to successfully raise additional capital by the end of the first quarter of 2018, we will likely not have sufficient cash flow and liquidity to fund our business operations as we currently operate, forcing us to curtail our activities and potentially significantly reduce, or potentially cease operations. Even if we are able to raise additional capital, such financings may only be available on unattractive terms, resulting in significant dilution of stockholders' interests and, in such event, the value and potential future market price of our common stock may decline. In addition, if we raise additional funds through license arrangements or through the disposition of any of our assets, it may be necessary to relinquish potentially valuable rights to our product candidates or assets or grant licenses on terms that are not favorable to us.

Based upon the our projected revenue and expenditures for 2017 and 2018, including regulatory and consulting fees for the remediation of the warning letter and fees with third-party manufacturers and ongoing discussions with the FDA, continuing implementation of our commercialization and expansion activities and certain other assumptions, management currently believes that its cash, cash equivalents, projected revenue and accounts receivable, along with the additional equity commitment from Biotest, will be sufficient to fund our operations, as currently conducted, into the first quarter of 2018. In order to have sufficient cash to fund our operations thereafter and to continue as a going concern, we will need to raise additional equity or debt financing by the end of the first quarter of 2018. This time frame may change based upon how quickly we are able to execute on our quality management systems' remediation plans for the ADMA BioManufacturing operations, commercial manufacturing scale up activities and the various financing options we are exploring, including the potential refinancing of our current senior debt which, if achieved on favorable terms, would be expected to allow us to extend our current cash runway from the first quarter of 2018 well into the second half of 2018 and perhaps further, depending on the timing and structuring of the loan facility. These estimates may change based upon whether or when the FDA approves RI-002, the timing of any required commercial manufacturing scale up activities or if any of our other assumptions change. We currently do not have arrangements to obtain additional financing. Any such financing could be difficult to obtain or only available on unattractive terms and could result in significant dilution to stockholders. Failure to secure necessary financing in a timely manner and on favorable terms could have a material adverse effect on our business plan and financial performance and could delay, discontinue or prevent product development, clinical trial or commercialization activities, or the approval of any of our potential products. In addition, we could be forced to reduce or forego sales and marketing efforts and forego attractive business opportunities.

***We are not currently profitable and may never become profitable.***

We have a history of losses and expect to incur substantial losses and negative operating cash flow for the foreseeable future, and we may never achieve or maintain profitability. For the six months ended June 30, 2017 and 2016, we incurred net losses of $15.6 million and $10.6 million, respectively, and from our inception in 2004 through June 30, 2017, we have incurred an accumulated deficit of $122.5 million. Even if we succeed in developing and commercializing one or more of our product candidates, we expect to incur substantial losses for the foreseeable future and may never become profitable. We also expect to continue to incur significant operating and capital expenditures and anticipate that our operating expenses will increase substantially in the foreseeable future as we:

- seek regulatory approval(s);
- initiate commercialization and marketing efforts;
- implement additional internal systems, controls and infrastructure;
- hire additional personnel;
- expand and build out our plasma center network; and
- integrate the assets which we acquired in the Biotest Transaction into our business.

***Although our financial statements have been prepared on a going concern basis, we must raise additional capital by the end of the first quarter of 2018 to fund our operations in order to continue as a going concern.***

CohnReznick LLP, our independent registered public accounting firm for the fiscal year ended December 31, 2016, has included an explanatory paragraph in their opinion that accompanies our audited consolidated financial statements as of and for the year ended December 31, 2016, indicating that our current liquidity position raises substantial doubt about our ability to continue as a going concern. If we are unable to improve our liquidity position we may not be able to continue as a going concern. If we are unable to continue as a going concern, we may have to liquidate our assets and may receive less than the value at which those assets are carried on our financial statements. We may also be forced to make reductions in spending, including delaying or curtailing our clinical development, trials or commercialization efforts, or seek to extend payment terms with our vendors and licensing partners. Our ability to raise or borrow the capital needed to improve our financial condition may be hindered by a variety of factors, including market conditions and the availability of such financing on acceptable terms, if at all. If we are unable to obtain sufficient funding, our business, prospects, financial condition and results of operations will be materially and adversely affected and we may be unable to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments that might result if we are unable to continue as a going concern and, therefore, be required to realize our assets and discharge our liabilities other than in the normal course of business, which could cause our security holders to suffer the loss of all or a substantial portion of their investment in our company.

We anticipate that our principal sources of liquidity, along with the additional equity commitment from Biotest, will only be sufficient to fund our activities as currently conducted into the first quarter of 2018. In order to have sufficient cash to fund our operations thereafter and to continue as a going concern, we will need to raise additional equity or debt financing by the end of the first quarter of 2018. This time frame may change based upon how quickly we are able to execute on our quality management systems' remediation plans for the ADMA BioManufacturing operations, commercial manufacturing scale up activities and the various financing options we are exploring, including the potential refinancing of our current senior debt which, if achieved on favorable terms, would be expected to allow us to extend our current cash runway from the first quarter of 2018 well into the second half of 2018 and perhaps further, depending on the timing and structuring of the loan facility. In order to have sufficient cash to fund our operations thereafter, we will need to raise additional equity or debt capital, and we cannot provide any assurance that we will be successful in doing so. If our assumptions underlying our estimated expenses prove to be wrong, we may have to raise additional capital sooner than the first quarter of 2018.

***We have a limited operating history upon which to base an investment decision.***

We have not demonstrated an ability to perform the functions necessary for the successful commercialization of RI-002. The successful development and commercialization of any product candidate will require us or our collaborators to perform a variety of functions, including:

- undertaking product development and clinical trials;
- participating in regulatory approval processes;
- formulating and manufacturing products; and
- conducting sales and marketing activities once authorized.

Our operations thus far provide a limited basis for you to assess our ability to commercialize our product candidates and the advisability of investing in our securities.

***Our lead product candidate, RI-002, requires extensive clinical data analysis and regulatory review and may require additional testing. Clinical trials and data analysis can be very expensive, time-consuming and difficult to design and implement. If we are unsuccessful in obtaining regulatory approval for RI-002, or any of our product candidates do not provide positive results, we may be required to delay or abandon development of such product, which would have a material adverse impact on our business.***

Continuing product development requires additional and extensive clinical testing. Human clinical trials are very expensive and difficult to design and implement, in part because they are subject to rigorous regulatory requirements. The clinical trial process is also time-consuming. We cannot provide any assurance or certainty regarding when we might complete the clinical trial process or receive regulatory approval for our BLA for RI-002. Furthermore, failure can occur at any stage of the process, and we could encounter problems that cause us to abandon or repeat clinical trials. The commencement and completion of clinical trials may be delayed by several factors, including:

- unforeseen safety issues;
- determination of dosing issues;
- lack of effectiveness during clinical trials;
- slower than expected rates of patient recruitment;
- inability to monitor patients adequately during or after treatment; and
- inability or unwillingness of medical investigators to follow our clinical protocols.

In addition, the FDA or an independent institutional review board may suspend our clinical trials at any time if it appears that we are exposing participants to unacceptable health risks or if the FDA finds deficiencies in our Investigational New Drug, or IND, submissions or the conduct of these trials. Therefore, we cannot provide any assurance or predict with certainty the schedule for future clinical trials. In the event we do not ultimately receive regulatory approval for RI-002, we may be required to terminate development of our only product candidate. Unless we acquire or develop other product candidates that are saleable, our business will be limited to plasma collection and sales.

***If the results of our clinical trials do not support our product candidate claims, completing the development of such product candidate may be significantly delayed or we may be forced to abandon development of such product candidate altogether.***

Even though our clinical trials have been completed as planned, we cannot be certain that their results will support our product candidate claims. Success in preclinical testing and early clinical trials does not ensure that later clinical trials will be successful, and we cannot be sure that the results of later clinical trials will replicate the results of prior clinical trials and preclinical testing. The clinical trial process may fail to demonstrate that our product candidates are safe for humans and effective for indicated uses. This failure would cause us to abandon a product candidate and may delay development of other product candidates. Any delay in, or termination of, our clinical trials will delay our ability to commercialize our product candidates and generate product revenues. In addition, our clinical trials involve a relatively small patient population. Because of the small sample size, the results of these clinical trials may not be indicative of future results. In addition, certain portions of the clinical trial and product testing for RI-002 were performed outside of the U.S., and therefore, may not have been performed in accordance with standards normally required by the FDA and other regulatory agencies.

***Currently, our only viable product candidate is RI-002. If we do not obtain the necessary U.S. or worldwide regulatory approvals to commercialize RI-002, we will not be able to sell RI-002.***

At the present time, our entire focus is obtaining regulatory approval for RI-002, our only product candidate. If we cannot obtain regulatory approval for RI-002, our only source of revenue will be plasma collection and sales. We cannot assure you that we will receive the approvals necessary to commercialize RI-002 or any other product candidate we may acquire or develop in the future. In order to obtain FDA approval of RI-002 or any other product candidate requiring FDA approval, our clinical development must demonstrate that the product candidate is safe for humans and effective for its intended use, and we must submit a BLA. To obtain required FDA approval of any other product candidate generally requires significant research and testing, referred to as preclinical studies, as well as human tests, referred to as clinical trials. Satisfaction of the FDA's regulatory requirements typically takes many years, depends upon the type, complexity and novelty of the product candidate and requires substantial resources for research, development and testing. We cannot predict whether our research and clinical approaches will result in products that the FDA considers safe for humans and effective for indicated uses. The FDA has substantial discretion in the product approval process and may require us to conduct additional preclinical and clinical testing or to perform post-marketing studies. The approval process may also be delayed by changes in government regulation, future legislation or administrative action or changes in FDA policy that occur prior to or during our regulatory review. Delays in obtaining regulatory approvals may:

- delay commercialization of, and our ability to derive product revenues from, our product candidate;
- impose costly procedures on us; and
- diminish any competitive advantages that we may otherwise enjoy.

Even if we comply with all FDA requests, the FDA may ultimately reject our BLA. In addition, the FDA could determine that we must test additional subjects and/or require that we conduct further studies with more subjects. We may never obtain regulatory approval for RI-002, or any other potential product candidate. Failure to obtain FDA approval of any of our product candidates will severely undermine our business by leaving us without a saleable product beyond the plasma collected by ADMA BioCenters, and therefore without any source of additional revenues if and until another product candidate can be developed and commercialized. There is no guarantee that we will ever be able to develop or acquire another product candidate. In foreign jurisdictions, we must receive approval from the appropriate regulatory authorities before we can commercialize any products. Foreign regulatory approval processes generally include all of the risks associated with the FDA approval procedures described above. We cannot assure you that we will receive the approvals necessary to commercialize any product candidate for sale outside the U.S.

***Even if we receive approval from the FDA to market RI-002, our ability to market RI-002 for alternative applications could be limited.***

The FDA strictly regulates marketing, labeling, advertising and promotion of prescription drugs. These regulations include standards and restrictions for direct-to-consumer advertising, industry-sponsored scientific and educational activities, promotional activities involving the Internet and off-label promotion. The FDA generally does not allow drugs to be promoted for “off-label” uses — that is, uses that are not described in the product’s labeling and that differ from those that were approved by the FDA. Generally, the FDA limits approved uses to those studied by a company in its clinical trials. In addition to the FDA approval required for new formulations, any new indication for an approved product also requires FDA approval. We have sought approval from the FDA to market RI-002 for the treatment of PIDD and, even if approved, we cannot be sure whether we will be able to obtain FDA approval for any desired future indications for RI-002.

While physicians in the U.S. may choose, and are generally permitted, to prescribe drugs for uses that are not described in the product's labeling, and for uses that differ from those tested in clinical studies and approved by the regulatory authorities, our ability to promote our products is narrowly limited to those indications that are specifically approved by the FDA. "Off-label" uses are common across medical specialties and may constitute an appropriate treatment for some patients in varied circumstances. Regulatory authorities in the U.S. generally do not regulate the behavior of physicians in their choice of treatments. Regulatory authorities do, however, restrict communications by pharmaceutical companies on the subject of off-label use. Although recent court decisions suggest that certain off-label communications (e.g., truthful and non-misleading speech) may be protected under the First Amendment, the scope of any such protection is unclear, and there are still significant risks in this area as it is unclear how these court decisions will impact the FDA's enforcement practices, and there is likely to be substantial disagreement and difference of opinion regarding whether any particular statement is truthful and not misleading. Moreover, while we intend to promote our products consistent with what we believe to be the approved indication for our drugs, the FDA may disagree. If the FDA determines that our promotional activities fail to comply with the FDA's regulations or guidelines, we may be subject to warnings from, or enforcement action by, these authorities. In addition, our failure to follow FDA rules and guidelines relating to promotion and advertising may cause the FDA to issue warning letters or untitled letters, bring an enforcement action against us, suspend or withdraw an approved product from the market, require a recall or institute fines or civil fines, or could result in disgorgement of money, operating restrictions, injunctions or criminal prosecution, any of which could harm our reputation and our business.

***We depend on third-party researchers, developers and vendors to develop RI-002, and such parties are, to some extent, outside of our control.***

We depend on independent investigators and collaborators, such as universities and medical institutions, contract laboratories, clinical research organizations and consultants to conduct our preclinical and clinical trials under agreements with us. These collaborators are not our employees and we cannot control the amount or timing of resources that they devote to our programs. These investigators may not assign as great a priority to our programs or pursue them as diligently as we would if we were undertaking such programs ourselves. If outside collaborators fail to devote sufficient time and resources to our product-development programs, or if their performance is substandard, the approval of our FDA application(s), if any, and our introduction of new products, if any, will be delayed. These collaborators may also have relationships with other commercial entities, some of whom may compete with us. If our collaborators assist our competitors at our expense, our competitive position would be harmed.

***A single customer accounts for a significant amount of our revenues and, together with a second customer, represented 90% of our total revenues for the six months ended June 30, 2017, and, therefore, the loss of such single customer could have a material adverse effect on our business, results of operations and financial condition.***

A significant amount of our revenues are attributed to a single customer, BPC. For the six months ended June 30, 2017, two of our customers, SK and BPC, represented 90% of our total revenues, with BPC representing 75% of our total revenues and SK representing 15% of our total revenues. Although we expect this concentration to decrease over the remainder of the year as additional sales of Nabi-HB® are reflected in our consolidated financial statements, these two customers are still expected to account for a significant portion of our revenues.

Our relationships with BPC and SK are arm's length commercial relationships. The loss of either or both of BPC and SK as a customer or a material change in the revenue generated by either or both of BPC and SK could have a material adverse effect on our business, results of operations and financial condition. Factors that could influence our relationships with our customers include, among other things:

- our ability to sell our products at prices that are competitive with our competitors;
- our ability to maintain features and quality standards for our products sufficient to meet the expectations of our customers; and
- our ability to produce and deliver a sufficient quantity of our products in a timely manner to meet our customers' requirements.

Additionally, an adverse change in the financial condition of either or both of BPC and SK could have a material adverse effect on our business and results of operations.

***Issues with product quality could have a material adverse effect upon our business, subject us to regulatory actions and cause a loss of customer confidence in us or our products.***

Our success depends upon the quality of our products. Quality management plays an essential role in meeting customer requirements, preventing defects, improving our products and services and assuring the safety and efficacy of our products. Our future success depends on our ability to maintain and continuously improve our quality management program. A quality or safety issue may result in adverse inspection reports, warning letters, product recalls or seizures, monetary sanctions, injunctions to halt manufacture and distribution of products, civil or criminal sanctions, costly litigation, refusal of a government to grant approvals and licenses, restrictions on operations or withdrawal of existing approvals and licenses. An inability to address a quality or safety issue in an effective and timely manner may also cause negative publicity, a loss of customer confidence in us or our current or future products, which may result in the loss of sales and difficulty in successfully launching new products.

***If physicians and patients do not accept and use our product, our ability to generate revenue from sales will be materially impaired.***

Even if the FDA approves RI-002, physicians and patients may not accept and use it. Acceptance and use of our product will depend on a number of factors including:

- perceptions by members of the health care community, including physicians, about the safety and effectiveness of our product;
- cost-effectiveness of our product relative to competing products;
- availability of reimbursement for our product from government or other healthcare payers; and
- effectiveness of marketing and distribution efforts by us and our licensees and distributors, if any.

Because we expect sales of RI-002, if approved, to generate substantially all of our product revenues other than the revenue attainable from the sale of plasma collected by ADMA BioCenters, the failure of this product to find market acceptance would harm our business and could require us to seek additional financing or make such financing difficult to obtain on favorable terms, if at all.

***Industry and other market data used in this quarterly report and our other materials, including those undertaken by us or our engaged consultants, may not prove to be representative of current and future market conditions or future results.***

This quarterly report and our other materials include statistical and other industry and market data that we obtained from industry publications and research, surveys and studies conducted by third parties, and surveys and studies we commissioned, regarding the market potential for RI-002. Although we believe that such information has been obtained from sources believed to be reliable, neither the sources of such data, nor we, can guarantee the accuracy or completeness of such information. While we believe these industry publications and third party research, surveys and studies are reliable, we have not independently verified such data. With respect to the information from third party consultants, the results of that study represent the independent consultants' own methodologies, assumptions, research, analysis, projections, estimations, composition of respondent pool, presentation of data, and adjustments, each of which may ultimately prove to be incorrect, and cause actual results and market viability to differ materially from those presented in such report. Readers should not place undue reliance on this information.

***Our long-term success may depend on our ability to supplement our existing RI-002 product candidate through new product development or the in-license or acquisition of other new products, and if our business development efforts are not successful, our ability to achieve profitability may be negatively impacted.***

Our current product development portfolio consists primarily of RI-002. We intend to seek to expand our current portfolio through new product development efforts or to in-license or acquire additional products. If we are not successful in developing or acquiring additional products, we will have to depend on our ability to raise capital for, and the successful development and commercialization of, RI-002 and the revenue we may generate from the sale of plasma attributable to the operations of ADMA BioCenters.

***Our LSA with Oxford is subject to acceleration in specified circumstances, which may result in Oxford taking possession and disposing of any collateral.***

On June 19, 2015, we entered into a Loan and Security Agreement, or LSA, with Oxford for up to $21.0 million and refinanced our existing loan with Hercules Technology Growth Capital, Inc. or Hercules. The first tranche of $16.0 million from the Oxford loan was primarily used to repay our existing facility with Hercules. In May 2016, we amended the LSA with Oxford and we borrowed an additional $4.0 million, bringing the total principal amount borrowed to $20.0 million. The LSA bears interest at a rate per annum equal to the greater of (i) 7.80% and (ii) the sum of (a) the three month U.S. LIBOR rate (as reported in *The Wall Street Journal*) on the date occurring on the last business day of the month that immediately precedes the month in which the interest will accrue, plus (b) 7.54% on the outstanding principal balance. We commenced repayment of the principal over 36 months beginning February 1, 2017. A final payment equal to 8.95% of the funded loan amount is due at the earlier of loan maturity or prepayment. The loan matures no later than January 1, 2020. The loan is secured by substantially all of our assets, except for our intellectual property (which is subject to a negative pledge). Events of default under the agreement include, but are not limited to: (i) insolvency, liquidation, bankruptcy or similar events; (ii) failure to pay any debts due under the LSA or other loan documents on a timely basis; (iii) failure to observe any covenant or secured obligation under the LSA or other loan documents, which failure, in most cases, is not cured within 10 days of written notice by lender; (iv) occurrence of any default under any other agreement between us and the lender, which is not cured within 10 days; (v) occurrence of an event that could reasonably be expected to have a material adverse effect; (vi) material misrepresentations; (vii) occurrence of any default under any other agreement involving indebtedness or the occurrence of a default under any agreement that could reasonably be expected to have a material adverse effect; and (viii) certain money judgments are entered against us or a certain portion of its assets are attached or seized. Remedies for events of default include acceleration of amounts owing under the LSA and Oxford taking immediate possession of, and selling, any collateral securing the loan.

***Developments by competitors may render our products or technologies obsolete or non-competitive.***

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. Should we obtain regulatory approval for RI-002 or any future product we may develop, we will have to compete with existing therapies. In addition, other companies may pursue the development of pharmaceuticals that target the same diseases and conditions that we are targeting. We face competition from pharmaceutical and biotechnology companies in the U.S. and abroad. In addition, companies pursuing different but related fields represent substantial competition. Many of these organizations competing with us have substantially greater capital resources, larger research and development staffs and facilities, longer product development history in obtaining regulatory approvals and greater manufacturing and marketing capabilities than we do. These organizations also compete with us to attract qualified personnel and parties for acquisitions, joint ventures or other collaborations.

***If we are unable to protect our patents, trade secrets or other proprietary rights, if our patent is challenged or if our provisional patent applications do not get approved, our competitiveness and business prospects may be materially damaged.***

As we move forward in clinical development we are also uncovering novel aspects of our product and are drafting patents to cover our inventions. We rely on a combination of patent rights, trade secrets and nondisclosure and non-competition agreements to protect our proprietary intellectual property, and we will continue to do so. There can be no assurance that our patent, trade secret policies and practices or other agreements will adequately protect our intellectual property. Our issued patent may be challenged, found to be over-broad or otherwise invalidated in subsequent proceedings before courts or the USPTO. Even if enforceable, we cannot provide any assurances that it will provide significant protection from competition. The processes, systems, and/or security measures we use to preserve the integrity and confidentiality of our data and trade secrets may be breached, and we may not have adequate remedies as a result of any such breaches. In addition, our trade secrets may otherwise become known or be independently discovered by competitors. There can be no assurance that the confidentiality, nondisclosure and non-competition agreements with employees, consultants and other parties with access to our proprietary information to protect our trade secrets, proprietary technology, processes and other proprietary rights, or any other security measures relating to such trade secrets, proprietary technology, processes and proprietary rights, will be adequate, will not be breached, that we will have adequate remedies for any breach, that others will not independently develop substantially equivalent proprietary information or that third parties will not otherwise gain access to our trade secrets or proprietary knowledge. To the extent that our consultants, contractors or collaborators use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions.

***We could lose market exclusivity of a product earlier than expected.***

In the pharmaceutical and biotechnology industries, the majority of an innovative product's commercial value is realized during its market exclusivity period. In the U.S. and in some other countries, when market exclusivity expires and generic versions are approved and marketed or when biosimilars are introduced (even if only for a competing product), there are usually very substantial and rapid declines in a product's revenues.

Market exclusivity for our products is based upon patent rights and certain regulatory forms of exclusivity. The scope of our patent rights may vary from country to country and may also be dependent on the availability of meaningful legal remedies in a country. The failure to obtain patent and other intellectual property rights, or limitations on the use or loss of such rights, could be material to us. In some countries, basic patent protections for our products may not exist because certain countries did not historically offer the right to obtain specific types of patents and/or we (or our licensors) did not file in those markets. In addition, the patent environment can be unpredictable and the validity and enforceability of patents cannot be predicted with certainty. Absent relevant patent protection for a product, once the data exclusivity period expires, generic versions can be approved and marketed.

Patent rights covering our only product, RI-002, may become subject to patent litigation. In some cases, manufacturers may seek regulatory approval by submitting their own clinical trial data to obtain marketing approval or choose to launch a generic product "at risk" before the expiration of our patent rights/or before the final resolution of related patent litigation. Enforcement of claims in patent litigation can be very costly and no assurance can be given that we will prevail. There is no assurance that RI-002, or any other of our products for which we are issued a patent, will enjoy market exclusivity for the full time period of the respective patent.

***Third parties could obtain patents that may require us to negotiate licenses to conduct our business, and there can be no assurance that the required licenses would be available on reasonable terms or at all.***

We may not be able to operate our business without infringing third-party patents. Numerous U.S. and foreign patents and pending patent applications owned by third parties exist in fields that relate to the development and commercialization of immune globulins. In addition, many companies have employed intellectual property litigation as a way to gain a competitive advantage. It is possible that infringement claims may occur as the number of products and competitors in our market increases. In addition, to the extent that we gain greater visibility and market exposure as a public company, we face a greater risk of being the subject of intellectual property infringement claims. We cannot be certain that the conduct of our business does not and will not infringe intellectual property or other proprietary rights of others in the U.S. and in foreign jurisdictions. If our products, methods, processes and other technologies are found to infringe third party patent rights, we could be prohibited from manufacturing and commercializing the infringing technology, process or product unless we obtain a license under the applicable third party patent and pay royalties or are able to design around such patent. We may be unable to obtain a license on terms acceptable to us, or at all, and we may not be able to redesign our products or processes to avoid infringement. Even if we are able to redesign our products or processes to avoid an infringement claim, our efforts to design around the patent could require significant time, effort and expense and ultimately may lead to an inferior or more costly product and/or process. Any claim of infringement by a third party, even those without merit, could cause us to incur substantial costs defending against the claim and could distract our management from our business. Furthermore, if any such claim is successful, a court could order us to pay substantial damages, including compensatory damages for any infringement, plus prejudgment interest and could, in certain circumstances, treble the compensatory damages and award attorney fees. These damages could be substantial and could harm our reputation, business, financial condition and operating results. A court also could enter orders that temporarily, preliminarily or permanently prohibit us, our licensees, if any, and our customers from making, using, selling, offering to sell or importing one or more of our products or practicing our proprietary technologies or processes, or could enter an order mandating that we undertake certain remedial activities. Any of these events could seriously harm our business, operating results and financial condition.

***Continued instability in the credit and financial markets may negatively impact our business, results of operations and financial condition.***

Financial markets in the U.S., Canada, Europe and Asia continue to experience disruption, including, among other things, significant volatility in security prices, declining valuations of certain investments, as well as severely diminished liquidity and credit availability. Business activity across a wide range of industries and regions continues to be greatly reduced and local governments and many businesses are still suffering from the lack of consumer spending and the lack of liquidity in the credit markets. As a clinical-stage biotechnology company, we rely on third parties for several important aspects of our business, including contract manufacturing of drug product, plasma collection supplies, transportation and storage of plasma, and conduct of our clinical trials. These third parties may be unable to satisfy their commitments to us due to tightening of global credit from time to time, which would adversely affect our business. The continued instability in the credit and financial market conditions may also negatively impact our ability to access capital and credit markets and our ability to manage our cash balance. While we are unable to predict the continued duration and severity of the adverse conditions in the U.S. and other countries, any of the circumstances mentioned above could adversely affect our business, financial condition, operating results and cash flow or cash position.

***If we are unable to successfully manage our growth, our business may be harmed.***

Our success will depend on the expansion of our commercial, manufacturing, supply of plasma and overall operations and the effective management of our growth, which will place a significant strain on our management and on our administrative, operational and financial resources. To manage this growth, we must expand our facilities, augment our operational, financial and management systems and hire and train additional qualified personnel. If we are unable to manage our growth effectively, our business could be harmed.

***The loss of one or more key members of our management team could adversely affect our business.***

Our performance is substantially dependent on the continued service and performance of our management team, who have extensive experience and specialized expertise in our business. In particular, the loss of Adam S. Grossman, our President and Chief Executive Officer, could adversely affect our business and operating results. We do not have "key person" life insurance policies for any members of our management team. We have employment agreements with each of our executive officers; however, the existence of an employment agreement does not guarantee retention of members of our management team and we may not be able to retain those individuals for the duration of or beyond the end of their respective terms. The loss of services of key personnel, or the inability to attract and retain additional qualified personnel, could result in delays in development or approval of our product candidates and diversion of management resources.

***If we are unable to hire additional qualified personnel, our ability to grow our business may be harmed.***

We will need to hire additional qualified personnel with expertise in commercialization, sales, marketing, medical affairs, reimbursement, government regulation, formulation and manufacturing and finance and accounting. In particular, over the next 12-24 months, we expect to hire several new employees devoted to commercialization, sales, marketing, medical and scientific affairs, regulatory affairs, quality control, financial, general and operational management. We compete for qualified individuals with numerous biopharmaceutical companies, universities and other research institutions. Competition for such individuals is intense, and we cannot assure you that our search for such personnel will be successful. Attracting and retaining qualified personnel will be critical to our success and any failure to do so successfully may have a material adverse effect on us.

***We currently collect human blood plasma at our ADMA BioCenters facilities located in Norcross and Marietta, Georgia, and if we cannot maintain FDA approval for these locations we may be adversely affected and potentially may not be able to sell and use this human blood plasma for future commercial purposes.***

We intend to maintain FDA and other governmental and regulatory approvals of our ADMA BioCenters collection facilities for the collection of human blood plasma. These facilities are subject to FDA and other governmental and regulatory inspections and extensive regulation, including compliance with cGMP, FDA and other government approvals. Failure to comply may result in enforcement action, which may significantly delay or suspend our operations for these locations.

***We may incur substantial liabilities and may be required to limit commercialization of our products in response to product liability lawsuits.***

The testing and marketing of medical products entail an inherent risk of product liability. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our products. Our inability to obtain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of pharmaceutical products we develop, alone or with collaborators.

***Many of our business practices are subject to scrutiny by regulatory authorities, as well as to lawsuits brought by private citizens under federal and state laws. Failure to comply with applicable law or an adverse decision in lawsuits may result in adverse consequences to us.***

The laws governing our conduct in the U.S. are enforceable by criminal, civil and administrative penalties. Violations of laws such as the Federal Food, Drug, and Cosmetic Act, the Social Security Act (including the Anti-Kickback Law), the Public Health Service Act and the Federal False Claims Act, and any regulations promulgated under the authority of the preceding, may result in jail sentences, fines or exclusion from federal and state programs, as may be determined by Medicare, Medicaid and the Department of Health and Human Services and other regulatory authorities as well as by the courts. There can be no assurance that our activities will not come under the scrutiny of regulators and other government authorities or that our practices will not be found to violate applicable laws, rules and regulations or prompt lawsuits by private citizen "relators" under federal or state false claims laws.

For example, under the Anti-Kickback Law and similar state laws and regulations, the offer or payment of anything of value for patient referrals, or in return for purchasing, leasing, ordering or arranging for or recommending the purchase, lease, or ordering of any time or service reimbursable in whole or in part by a federal health care program is prohibited. This places constraints on the marketing and promotion of products and on common business arrangements, such as discounted terms and volume incentives for customers in a position to recommend or choose products for patients, such as physicians and hospitals, and these practices can result in substantial legal penalties, including, among others, exclusion from the Medicare and Medicaid programs. Arrangements with referral sources such as purchasers, group purchasing organizations, physicians and pharmacists must be structured with care to comply with applicable requirements. Also, certain business practices, such as payments of consulting fees to healthcare providers, sponsorship of educational or research grants, charitable donations, interactions with healthcare providers that prescribe products for uses not approved by the FDA and financial support for continuing medical education programs, must be conducted within narrowly prescribed and controlled limits to avoid any possibility of wrongfully influencing healthcare providers to prescribe or purchase particular products or as a reward for past prescribing. Under the Patient Protection and Affordable Care Act and the companion Health Care and Education Reconciliation Act, which together are referred to as the healthcare reform law, such payments by pharmaceutical manufacturers to U.S. healthcare practitioners and academic medical centers must be publicly disclosed. A number of states have similar laws in place. Additional and stricter prohibitions could be implemented by federal and state authorities. Where such practices have been found to be improper incentives to use such products, government investigations and assessments of penalties against manufacturers have resulted in substantial damages and fines. Many manufacturers have been required to enter into consent decrees or orders that prescribe allowable corporate conduct.

Failure to satisfy requirements under the Federal Food, Drug, and Cosmetic Act can also result in penalties, as well as requirements to enter into consent decrees or orders that prescribe allowable corporate conduct. In addition, while regulatory authorities generally do not regulate physicians' discretion in their choice of treatments for their patients, they do restrict communications by manufacturers on unapproved uses of approved products or on the potential safety and efficacy of unapproved products in development. Companies in the U.S., Canada and the European Union cannot promote approved products for other indications that are not specifically approved by the competent regulatory authorities (e.g., FDA in the U.S.), nor can companies promote unapproved products. In limited circumstances, companies may disseminate to physicians information regarding unapproved uses of approved products or results of studies involving investigational products. If such activities fail to comply with applicable regulations and guidelines of the various regulatory authorities, we may be subject to warnings from, or enforcement action by, these authorities. Furthermore, if such activities are prohibited, it may harm demand for our products. Promotion of unapproved drugs or devices or unapproved indications for a drug or device is a violation of the Federal Food, Drug, and Cosmetic Act and subjects us to civil and criminal sanctions. Furthermore, sanctions under the Federal False Claims Act have recently been brought against companies accused of promoting off-label uses of drugs, because such promotion induces the use and subsequent claims for reimbursement under Medicare and other federal programs. Similar actions for off-label promotion have been initiated by several states for Medicaid fraud. The healthcare reform law significantly strengthened provisions of the Federal False Claims Act, the Anti-Kickback Law that applies to Medicare and Medicaid, and other health care fraud provisions, leading to the possibility of greatly increased qui tam suits by relators for perceived violations. Violations or allegations of violations of the foregoing restrictions could materially and adversely affect our business.

We may be required to report detailed pricing information, net of included discounts, rebates and other concessions, to the Centers for Medicare & Medicaid Services, or CMS, for the purpose of calculating national reimbursement levels, certain federal prices and certain federal and state rebate obligations. Inaccurate or incomplete reporting of pricing information could result in liability under the False Claims Act, the federal Anti-Kickback Law and various other laws, rules and regulations.

We will need to establish systems for collecting and reporting this data accurately to CMS and institute a compliance program to assure that the information collected is complete in all respects. If we report pricing information that is not accurate to the federal government, we could be subject to fines and other sanctions that could adversely affect our business. If we choose to pursue clinical development and commercialization in the European Union or otherwise market and sell our products outside of the U.S., we must obtain and maintain regulatory approvals and comply with regulatory requirements in such jurisdictions. The approval procedures vary among countries in complexity and timing. We may not obtain approvals from regulatory authorities outside the U.S. on a timely basis, if at all, which would preclude us from commercializing products in those markets.

In addition, some countries, particularly the countries of the European Union, regulate the pricing of prescription pharmaceuticals. In these countries, pricing discussions with governmental authorities can take considerable time after the receipt of marketing approval for a product. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of their product candidate to other available therapies. Such trials may be time-consuming and expensive, and may not show an advantage in efficacy for our products. If reimbursement of our products is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, in either the U.S. or the European Union, we could be adversely affected.

Also, under the U.S. Foreign Corrupt Practices Act, or FCPA, the U.S. has increasingly focused on regulating the conduct by U.S. businesses occurring outside of the U.S., generally prohibiting remuneration to foreign officials for the purpose of obtaining or retaining business. To enhance compliance with applicable health care laws, and mitigate potential liability in the event of noncompliance, regulatory authorities, such as the U.S. Health and Human Services Department Office of Inspector General, or OIG, have recommended the adoption and implementation of a comprehensive health care compliance program that generally contains the elements of an effective compliance and ethics program described in Section 8B2.1 of the U.S. Sentencing Commission Guidelines Manual. Increasing numbers of U.S.-based pharmaceutical companies have such programs. In the future, we may need to adopt healthcare compliance and ethics programs that would incorporate the OIG's recommendations, and train our applicable employees in such compliance. Such a program may be expensive and may not assure that we will avoid compliance issues.

***The manufacturing processes for plasma based biologics are complex and involve biological intermediates that are susceptible to contamination.***

Plasma is a raw material that is susceptible to damage and contamination and may contain human pathogens, any of which would render the plasma unsuitable as raw material for further manufacturing. For instance, improper storage of plasma, by us or third-party suppliers, may require us to destroy some of our raw material. If unsuitable plasma is not identified and discarded prior to the release of the plasma to the manufacturing process, it may be necessary to discard intermediate or finished product made from that plasma or to recall any finished product released to the market, resulting in a charge to cost of goods sold. The manufacture of our plasma products is an extremely complex process of fractionation, purification, filling and finishing. Our products can become non-releasable or otherwise fail to meet our stringent specifications or regulatory agencies' specifications through a failure in one or more of these process steps. We may detect instances in which an unreleased product was produced without adherence to our manufacturing procedures or plasma used in our production process was not collected or stored in a compliant manner consistent with our cGMP or other regulations. Such an event of noncompliance would likely result in our determination that the implicated products should not be released or maybe replaced or withdrawn from the market and therefore should be destroyed. Once manufactured, our plasma-derived products must be handled carefully and kept at appropriate temperatures. Our failure, or the failure of third parties that supply, ship or distribute our products, to properly care for our products may require that those products be destroyed. Even if handled properly, biologics may form or contain particulates or have other issues or problems after storage which may require products to be destroyed or recalled. While we expect to write off small amounts of work-in-progress in the ordinary course of business due to the complex nature of plasma, our processes and our products, unanticipated events may lead to write-offs and other costs materially in excess of our expectations and the reserves we have established for these purposes. Such write-offs and other costs could cause material fluctuations in our profitability.

Furthermore, contamination of our products could cause investors, consumers, or other third parties with whom we conduct business to lose confidence in the reliability of our manufacturing procedures, which could adversely affect our sales and profits. In addition, faulty or contaminated products that are unknowingly distributed could result in patient harm, threaten the reputation of our products and expose us to product liability damages and claims from companies for whom we do contract manufacturing.

***Our ability to continue to produce safe and effective products depends on the safety of our plasma supply and manufacturing processes against transmittable diseases.***

Despite overlapping safeguards, including the screening of donors and other steps to remove or inactivate viruses and other infectious disease causing agents, the risk of transmissible disease through blood plasma products cannot be entirely eliminated. For example, since plasma-derived therapeutics involves the use and purification of human plasma, there has been concern raised about the risk of transmitting human immunodeficiency virus, or HIV, prions, West Nile virus, H1N1 virus or "swine flu" and other blood-borne pathogens through plasma-derived products. There are also concerns about the future transmission of H5N1 virus, or "bird flu." In the 1980s, thousands of hemophiliacs worldwide were infected with HIV through the use of contaminated Factor VIII. Other producers of Factor VIII, though not us, were defendants in numerous lawsuits resulting from these infections. New infectious diseases emerge in the human population from time to time. If a new infectious disease has a period during which time the causative agent is present in the bloodstream but symptoms are not present, it is possible that plasma donations could be contaminated by that infectious agent. Typically, early in an outbreak of a new disease, tests for the causative agent do not exist. During this early phase, we must rely on screening of donors (e.g., for behavioral risk factors or physical symptoms) to reduce the risk of plasma contamination. Screening methods are generally less sensitive and specific than a direct test as a means of identifying potentially contaminated plasma units. During the early phase of an outbreak of a new infectious disease, our ability to manufacture safe products would depend on the manufacturing process' capacity to inactivate or remove the infectious agent. To the extent that a product's manufacturing process is inadequate to inactivate or remove an infectious agent, our ability to manufacture and distribute that product would be impaired. If a new infectious disease were to emerge in the human population, the regulatory and public health authorities could impose precautions to limit the transmission of the disease that would impair our ability to procure plasma, manufacture our products or both. Such precautionary measures could be taken before there is conclusive medical or scientific evidence that a disease poses a risk for plasma-derived products. In recent years, new testing and viral inactivation methods have been developed that more effectively detect and inactivate infectious viruses in collected plasma. There can be no assurance, however, that such new testing and inactivation methods will adequately screen for, and inactivate, infectious agents in the plasma used in the production of our products.

***We could become supply-constrained and our financial performance would suffer if we cannot obtain adequate quantities of FDA-approved source plasma with proper specifications.***

In order for plasma to be used in the manufacturing of our products, the individual centers at which the plasma is collected must be licensed by the FDA, and approved by the regulatory authorities of any country in which we may wish to commercialize our products. When we open a new plasma center, and on an ongoing basis after licensure, it must be inspected by the FDA for compliance with cGMP and other regulatory requirements. An unsatisfactory inspection could prevent a new center from being licensed or risk the suspension or revocation of an existing license. We do not and will not have adequate source plasma to manufacture RI-002. Therefore, we are reliant on purchasing normal source plasma to manufacture RI-002. We can give no assurances that normal source plasma will be available to us on commercially reasonable terms or at all. In order to maintain a plasma center's license, its operations must continue to conform to cGMP and other regulatory requirements. In the event that we determine that plasma was not collected in compliance with cGMP, we may be unable to use and may ultimately destroy plasma collected from that center, which would be recorded as a charge to cost of goods. Additionally, if non-compliance in the plasma collection process is identified after the impacted plasma has been pooled with compliant plasma from other sources, entire plasma pools, in-process intermediate materials and final products could be impacted. Consequently, we could experience significant inventory impairment provisions and write-offs which could adversely affect our business and financial results. We plan to increase our supplies of plasma for use in the manufacturing processes through increased purchases of plasma from third party suppliers as well as collections from our existing ADMA BioCenters plasma collection centers. This strategy is dependent upon our ability to maintain a cGMP compliant environment in both plasma centers and to expand production and attract donors to both centers. There is no assurance that the FDA will inspect and license our unlicensed plasma collection centers in a timely manner consistent with our production plans. If we misjudge the readiness of a center for an FDA inspection, we may lose credibility with the FDA and cause the FDA to more closely examine all of our operations. Such additional scrutiny could materially hamper our operations and our ability to increase plasma collections. Our ability to expand production and increase our plasma collection centers to more efficient production levels may be affected by changes in the economic environment and population in selected regions where ADMA BioCenters operates its current or future plasma centers, by the entry of competitive plasma centers into regions where ADMA BioCenters operates such centers, by misjudging the demographic potential of individual regions where ADMA BioCenters expects to expand production and attract new donors, by unexpected facility related challenges, or by unexpected management challenges at selected plasma centers.

***Our ability to commercialize our products, alone or with collaborators, will depend in part on the extent to which reimbursement will be available from governmental agencies, health administration authorities, private health maintenance organizations and health insurers and other healthcare payers, and also depend upon the approval, timing and representations by the FDA or other governmental authorities for our product candidates. As the FDA BLA review process is ongoing, we are subject to information requests and communications from the FDA on a routine basis and may not have clarity on any or all specific aspects of the approval timing, language, name, claims and any other future requirements that may be imposed by the FDA or other governmental agencies, for marketing authorization and ultimately financial reimbursement for patient utilization.***

Our ability to generate product revenues will be diminished if our products sell for inadequate prices or patients are unable to obtain adequate levels of reimbursement. Significant uncertainty exists as to the reimbursement status of newly approved healthcare products, as well as to the timing, language, specifications and other details pertaining to the approval of such products. Healthcare payers, including Medicare, are challenging the prices charged for medical products and services. Government and other healthcare payers increasingly attempt to contain healthcare costs by limiting both coverage and the level of reimbursement for products. Even if one of our product candidates is approved by the FDA, insurance coverage may not be available, and reimbursement levels may be inadequate, to cover such product. If government and other healthcare payers do not provide adequate coverage and reimbursement levels for one of our products, once approved, market acceptance of such product could be reduced. Prices in many countries, including many in Europe, are subject to local regulation and certain pharmaceutical products, such as plasma-derived products, are subject to price controls in several of the world's principal markets, including many countries within the European Union. In the U.S., where pricing levels for our products are substantially established by third-party payers, including Medicare, if payers reduce the amount of reimbursement for a product, it may cause groups or individuals dispensing the product to discontinue administration of the product, to administer lower doses, to substitute lower cost products or to seek additional price-related concessions. These actions could have a negative effect on financial results, particularly in cases where our products command a premium price in the marketplace, or where changes in reimbursement induce a shift in the site of treatment. The existence of direct and indirect price controls and pressures over our products could materially adversely affect our financial prospects and performance.

***The new biosimilar pathway established as part of the healthcare reform may make it easier for competitors to market biosimilar products.***

The healthcare reform law introduced an abbreviated licensure pathway for biological products that are demonstrated to be biosimilar to an FDA-licensed biological product. A biological product may be demonstrated to be "biosimilar" if data show that, among other things, the product is "highly similar" to an already-approved biological product, known as a reference product, and has no clinically meaningful differences in terms of safety and effectiveness from the reference product. The law provides that a biosimilar application may be submitted as soon as four years after the reference product is first licensed, and that the FDA may not make approval of an application effective until 12 years after the reference product was first licensed. Since the enactment of the law, the FDA has issued several guidance documents to assist sponsors of biosimilar products prepare their approval applications. The FDA approved the first biosimilar product in 2015, and approved three biosimilar products in 2016. As a result of the biosimilar pathway in the U.S., we expect in the future to face greater competition from biosimilar products, including a possible increase in patent challenges.

***The implementation of the healthcare reform law in the U.S. may adversely affect our business.***

Through the March 2010 adoption of the healthcare reform law in the U.S., substantial changes are being made to the current system for paying for healthcare in the U.S., including programs to extend medical benefits to millions of individuals who currently lack insurance coverage. The changes contemplated by the healthcare reform law are subject to rule-making and implementation timelines that extend for several years, and this uncertainty limits our ability to forecast changes that may occur in the future. However, implementation has already begun with respect to certain significant cost-saving measures under the healthcare reform law, for example with respect to several government healthcare programs that may cover the cost of our future products, including Medicaid, Medicare Parts B and D, and these efforts could have a materially adverse impact on our future financial prospects and performance. For example, with respect to Medicaid, in order for a manufacturer's products to be reimbursed by federal funding under Medicaid, the manufacturer must enter into a Medicaid rebate agreement with the Secretary of the U.S. Department of Health and Human Services, and pay certain rebates to the states based on utilization data provided by each state to the manufacturer and to CMS, and pricing data provided by the manufacturer to the federal government. The states share these savings with the federal government, and sometimes implement their own additional supplemental rebate programs. Under the Medicaid drug rebate program, the rebate amount for most branded drug products was previously equal to a minimum of 15.1% of the Average Manufacturer Price, or AMP, or the AMP less Best Price, whichever is greater. Effective January 1, 2010, the healthcare reform law generally increases the size of the Medicaid rebates paid by manufacturers for single source and innovator multiple source (brand name) drug product from a minimum of 15.1% to a minimum of 23.1% of the AMP, subject to certain exceptions, for example, for certain clotting factors, the increase is limited to a minimum of 17.1% of the AMP. For non-innovator multiple source (generic) products, the rebate percentage is increased from a minimum of 11.0% to a minimum of 13.0% of AMP. In 2010, the healthcare reform law also newly extended this rebate obligation to prescription drugs covered by Medicaid managed care organizations. These increases in required rebates may adversely affect our future financial prospects and performance. In order for a pharmaceutical product to receive federal reimbursement under the Medicare Part B and Medicaid programs or to be sold directly to U.S. government agencies, the manufacturer must extend discounts to entities eligible to participate in the 340B drug pricing program. The required 340B discount on a given product is calculated based on the AMP and Medicaid rebate amounts reported by the manufacturer. As the 340B drug pricing is determined based on AMP and Medicaid rebate data, the revisions to the Medicaid rebate formula and AMP definition described above could cause the required 340B discount to increase.

Effective in 2011, the healthcare reform law imposed an annual, nondeductible fee on any entity that manufactures or imports certain branded prescription drugs and biologic agents, apportioned among these entities according to their market share in certain government healthcare programs. These fees may adversely affect our future financial prospects and performance. The healthcare reform law established the Center for Medicare and Medicaid Innovation within CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending, potentially including prescription drug spending. Funding has been allocated to support the mission of the Center for Medicare and Medicaid Innovation through 2019.

The healthcare reform law also creates new rebate obligations for our products under Medicare Part D, a partial, voluntary prescription drug benefit created by the U.S. federal government primarily for persons 65 years old and over. The Part D drug program is administered through private insurers that contract with CMS. Beginning in 2011, the healthcare reform law generally requires that in order for a drug manufacturer's products to be reimbursed under Medicare Part D, the manufacturer must enter into a Medicare Coverage Gap Discount Program agreement with the Secretary of the U.S. Department of Health and Human Services, and reimburse each Medicare Part D plan sponsor an amount equal to 50% savings for the manufacturer's brand name drugs and biologics which the Part D plan sponsor has provided to its Medicare Part D beneficiaries who are in the "donut hole" (or a gap in Medicare Part D coverage for beneficiaries who have expended certain amounts for drugs). The Part D plan sponsor is responsible for calculating and providing the discount directly to its beneficiaries and for reporting these amounts paid to CMS's contractor, which notifies drug manufacturers of the rebate amounts it must pay to each Part D plan sponsor. The rebate requirement could adversely affect our future financial performance, particularly if contracts with Part D plans cannot be favorably renegotiated or the Part D plan sponsors fail to accurately calculate payments due in a manner that overstates our rebate obligation. Regarding access to our products, the healthcare reform law established and provided significant funding for a Patient-Centered Outcomes Research Institute to coordinate and fund Comparative Effectiveness Research, or CER. While the stated intent of CER is to develop information to guide providers to the most efficacious therapies, outcomes of CER could influence the reimbursement or coverage for therapies that are determined to be less cost-effective than others. Should any of our products be determined to be less cost effective than alternative therapies, the levels of reimbursement for these products, or the willingness to reimburse at all, could be impacted, which could materially impact our future financial prospects and results.

***Developments in the worldwide economy may adversely impact our business.***

The difficult economic environment may adversely affect demand for our products. RI-002, our current product candidate, is expected to be sold to hospitals, specialty pharmacies and clinicians in the U.S. As a result of loss of jobs, patients may lose medical insurance and be unable to purchase supply or may be unable to pay their share of deductibles or co-payments. Hospitals adversely affected by the economy may steer patients to less costly therapies, resulting in a reduction in demand, or demand may shift to public health hospitals, which may purchase at a lower government price. While to date we cannot directly trace any material reduction in demand to the recession, if economic conditions do not improve, the impact may become material.

**Risks Relating to our Finances, Capital Requirements and Other Financial Matters**

***We have a history of operating losses that are expected to continue and we are unable to predict the extent of future losses, whether we will generate significant revenues or whether we will achieve or sustain profitability.***

We have a limited operating history and our prospects must be considered in light of the uncertainties, risks, expenses and difficulties frequently encountered by similarly situated companies. For the six months ended June 30, 2017 and 2016, we incurred net losses of $15.6 million and $10.6 million, respectively, and from our inception in 2004 through June 30, 2017, we have incurred an accumulated deficit of $122.5 million. We expect to make substantial expenditures and incur increasing operating costs in the future and our accumulated deficit will increase significantly as we expand commercial development, infrastructure, manufacturing and inventory planned requirements and clinical trial activities for our product candidates. Our losses have had, and are expected to continue to have, an adverse impact on our working capital, total assets and stockholders' equity. Because of the risks and uncertainties associated with product development, we are unable to predict the extent of any future losses, whether we will ever generate significant revenues or if we will ever achieve or sustain profitability.

***We require additional funding and may be unable to raise capital when needed, which would force us to delay, curtail or eliminate one or more of our research and development programs or commercialization efforts.***

Our operations have consumed substantial amounts of cash since inception. For the six months ended June 30, 2017 and 2016, we incurred research and development expenses of approximately $2.6 million and $5.4 million, respectively. We expect to continue to spend substantial amounts on product development, including commercialization activities, procuring raw material plasma, manufacturing, conducting potential future clinical trials for our product candidates and purchasing clinical trial materials from our suppliers. We currently anticipate that, based upon our projected revenue and expenditures, our current cash and cash equivalents and accounts receivable, along with the additional $12.5 million equity commitment we received from BPC concurrent with the closing of the Biotest Transaction, will be sufficient to fund our operations, as currently conducted, into the first quarter of 2018. This time frame may change based upon how quickly we are able to execute on our operational initiatives and the various financing options we are exploring, including a potential refinancing our current senior debt, which if achieved on favorable terms, would be expected to allow us to extend our current cash runway from the first quarter of 2018 well into the second half of 2018 and perhaps further, depending on the timing and structuring of the loan facility. If our assumptions underlying our estimated expenses prove to be wrong, we may have to raise additional capital sooner than the first quarter of 2018.We have based this estimate, however, on assumptions that may prove to be wrong, and we could spend our available financial resources much faster than we currently expect. Until such time, if ever, as we can generate a sufficient amount of product revenue and achieve profitability, we expect to seek to finance future cash needs through equity or debt financings or corporate collaboration and licensing arrangements. If we are unable to raise additional capital, we will have to delay, curtail or eliminate our product development, including conducting clinical trials for our product candidates and purchasing clinical trial materials from our suppliers, as well as future commercialization efforts.

***Raising additional funds by issuing securities or through licensing or lending arrangements may cause dilution to our existing stockholders, restrict our operations or require us to relinquish proprietary rights.***

To the extent that we raise additional capital by issuing equity securities, the share ownership of existing stockholders will be diluted. Any future debt financing may involve covenants that restrict our operations, including limitations on our ability to incur liens or additional debt, pay dividends, redeem our stock, make certain investments and engage in certain merger, consolidation or asset sale transactions, among other restrictions. In addition, if we raise additional funds through licensing arrangements or the disposition of any of our assets, it may be necessary to relinquish potentially valuable rights to our product candidates, or grant licenses on terms that are not favorable to us.

***Our cash, cash equivalents and short-term investments could be adversely affected if the financial institutions in which we hold our cash, cash equivalents and short-term investments fail.***

We regularly maintain cash balances at third-party financial institutions in excess of the Federal Deposit Insurance Corporation, or FDIC, insurance limit. While we monitor daily the cash balances in the operating accounts and adjust the balances as appropriate, these balances could be impacted, and there could be a material adverse effect on our business, if one or more of the financial institutions with which we deposit fails or is subject to other adverse conditions in the financial or credit markets. To date, we have experienced no loss or lack of access to our invested cash or cash equivalents; however, we can provide no assurance that access to our invested cash and cash equivalents will not be impacted by adverse conditions in the financial and credit markets.

***If we fail to maintain proper and effective internal control over financial reporting in the future, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, investors' views of us and, as a result, the value of our common stock.***

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 and related rules, or SOX, our management is required to report on the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. To comply with the requirements of being a reporting company under the Exchange Act, we have been required to upgrade, and may need to implement further upgrades to our systems, including information technology, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff.

***Our ability to use our Net Operating Loss carryforwards (NOLs) may be limited.***

We have incurred substantial losses during our history. As of December 31, 2016, we had Federal and state NOLs of $87.8 million and $75.2 million, respectively. The $87.8 million and $75.2 million in Federal and state NOLs, respectively, will begin to expire at various dates beginning in 2027, if not limited by triggering events prior to such time. Under the provisions of the Internal Revenue Code, changes in our ownership, in certain circumstances, will limit the amount of Federal NOLs that can be utilized annually in the future to offset taxable income. In particular, Section 382 of the Internal Revenue Code imposes limitations on a company's ability to use NOLs upon certain changes in such ownership. If we are limited in our ability to use our NOLs in future years in which we have taxable income, we will pay more taxes than if we were able to utilize our NOLs fully. We may experience ownership changes in the future as a result of subsequent shifts in our stock ownership that we cannot predict or control that could result in further limitations being placed on our ability to utilize our federal NOLs.

**Risks Associated with our Common Stock**

***The market price of our common stock may be volatile and may fluctuate in a way that is disproportionate to our operating performance.***

Our stock price may experience substantial volatility as a result of a number of factors, including:

- sales or potential sales of substantial amounts of our common stock;
- delay or failure in initiating or completing preclinical or clinical trials or unsatisfactory results of these trials;
- delay in FDA approval for RI-002;
- the timing of acceptance, reimbursement and sales of RI-002;
- our ability to resume the manufacturing of Bivigam® once the deficiencies identified in the CRL have been resolved by us to the satisfaction of the FDA;
- announcements about us or about our competitors, including clinical trial results, regulatory approvals or new product introductions;
- developments concerning our licensors or product manufacturers;
- litigation and other developments relating to our patents or other proprietary rights or those of our competitors;
- conditions in the pharmaceutical or biotechnology industries;
- governmental regulation and legislation;
- variations in our anticipated or actual operating results; and
- change in securities analysts' estimates of our performance, or our failure to meet analysts' expectations.

Many of these factors are beyond our control. The stock markets in general, and the market for pharmaceutical and biotechnology companies in particular, have historically experienced extreme price and volume fluctuations. These fluctuations often have been unrelated or disproportionate to the operating performance of these companies. These broad market and industry factors could reduce the market price of our common stock, regardless of our actual operating performance.

***Sales of a substantial number of shares of our common stock, or the perception that such sales may occur, may adversely impact the price of our common stock.***

As of August 11, 2017, approximately half of our 25,793,404 outstanding shares of common stock, as well as a substantial number of shares of our common stock underlying outstanding warrants, are available for sale in the public market, subject to certain restrictions with respect to sales of our common stock by our affiliates, either pursuant to Rule 144 under the Securities Act ("Rule 144") or under effective registration statements. The 12,886,740 shares of common stock, including 8,591,160 shares of non-voting common stock, recently acquired by BPC in the Biotest Transaction are subject to a lock-up for six months after closing of the Biotest Transaction. For three years after the end of such six-month period, subject to certain limited exceptions, under the stockholders agreement entered into between the Company and BPC upon closing the Biotest Transaction, sales by BPC of our equity interests may not exceed 15% of the issued and outstanding common stock of ADMA in any twelve-month period; provided, however, that if our market capitalization increases to double our market capitalization immediately following the closing of the Biotest Transaction, then BPC may sell up to 20% of our issued and outstanding common stock in any twelve-month period; provided, further, that (x) if our market capitalization increases to triple our market capitalization immediately following the closing of the Biotest Transaction, or (y) upon the one-year anniversary of BPC holding less than a 25% economic interest in us, then BPC may sell its equity interests in us at any time (subject to applicable securities laws). At the closing of the Biotest Transaction, we entered into a registration rights agreement with BPC, pursuant to which BPC will have, among other things, certain registration rights under the Securities Act with respect to its shares of our common stock, subject to certain transfer restrictions. Sales of a substantial number of shares of our common stock, or the perception that such sales may occur, may adversely impact the price of our common stock.

***We have never paid and do not intend to pay cash dividends in the foreseeable future. As a result, capital appreciation, if any, will be your sole source of gain.***

We have never paid cash dividends on any of our capital stock and we currently intend to retain future earnings, if any, to fund the development and growth of our business. In addition, the terms of existing and future debt agreements may preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future.

***Our affiliates control a substantial amount of our shares of common stock. Provisions in our certificate of incorporation, our by-laws and Delaware law might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock.***

Provisions of our certificate of incorporation, our by-laws and Delaware law may have the effect of deterring unsolicited takeovers or delaying or preventing a change in control of our company or changes in our management, including transactions in which our stockholders might otherwise receive a premium for their shares over then current market prices. As of August 11, 2017, BPC, our directors and executive officers and their affiliates beneficially owned in excess of 75% of the outstanding shares of common stock. In addition, these provisions may limit the ability of stockholders to approve transactions that they may deem to be in their best interests. These provisions include:

- the inability of stockholders to call special meetings; and the ability of our board of directors to designate the terms of and issue change in our control or could be used to institute a rights plan, also known as a poison pill, that would work to dilute the stock, and

- classification of our board of directors and limitation on filling of vacancies could make it more difficult for a third party to acquire, or discourage a third party from seeking to acquire, control of our company.

In addition, Section 203 of the Delaware General Corporation Law prohibits a publicly-held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person which together with its affiliates owns, or within the last three years, has owned 15% of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. The existence of the forgoing provisions and anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of our company, thereby reducing the likelihood that you could receive a premium for your common stock in an acquisition. In addition, as a result of the concentration of ownership of our shares of common stock, our stockholders may from time to time, observe instances where there may be less liquidity in the public markets for our securities.

***If we fail to adhere to the strict listing requirements of NASDAQ, we may be subject to delisting. As a result, our stock price may decline and our common stock may be delisted. If our stock were no longer listed on NASDAQ, the liquidity of our securities likely would be impaired.***

Our common stock currently trades on the NASDAQ Capital Market under the symbol "ADMA." If we fail to adhere to NASDAQ's strict listing criteria, including with respect to stock price, our market capitalization and stockholders' equity (deficiency), our stock may be delisted. This could potentially impair the liquidity of our securities not only in the number of shares that could be bought and sold at a given price, which may be depressed by the relative illiquidity, but also through delays in the timing of transactions and the potential reduction in media coverage. As a result, an investor might find it more difficult to dispose of our common stock. We believe that current and prospective investors would view an investment in our common stock more favorably if it continues to be listed on NASDAQ. Any failure at any time to meet the continuing NASDAQ listing requirements could have an adverse impact on the value of and trading activity in our common stock. Although we currently satisfy the listing criteria for NASDAQ, if our stock price declines dramatically, we could be at risk of falling below NASDAQ continuing listing criteria.

***We are an "emerging growth company," and elect to comply with reduced public company reporting requirements applicable to emerging growth companies, which could make our common stock less attractive to investors.***

We are an "emerging growth company," as defined by the Jumpstart Our Business Startups Act, or the JOBS Act. The JOBS Act contains provisions that, among other things, reduce certain reporting requirements for qualifying public companies. As an "emerging growth company," we may, under Section 7(a)(2)(B) of the Securities Act, delay adoption of new or revised accounting standards applicable to public companies until such standards would otherwise apply to private companies. We may continue to take advantage of this extended transition period until the first to occur of the date that we (i) are no longer an "emerging growth company" or (ii) affirmatively and irrevocably opt out of this extended transition period.

We could be an emerging growth company until December 31, 2018, which is the last day of the fiscal year following the fifth anniversary of the first sale of our common equity securities pursuant to an effective registration statement under the Securities Act. However, if certain events occur prior to the end of such five-year period, including if we become a "large accelerated filer," our annual gross revenues exceed $1 billion or we issue more than $1 billion of non-convertible debt in any three-year period, we would cease to be an emerging growth company prior to the end of such five-year period.

We have elected to take advantage of the benefits of this extended transition period. Our financial statements may therefore not be comparable to those of companies that comply with such new or revised accounting standards. Until the date that we are no longer an "emerging growth company" or affirmatively and irrevocably opt out of the exemption provided by Securities Act Section 7(a)(2)(B), upon issuance of a new or revised accounting standard that applies to our financial statements and that has a different effective date for public and private companies, we will disclose the date on which adoption is required for non-emerging growth companies and the date on which we will adopt the recently issued accounting standard. As an emerging growth company, we are also exempt from the requirement to have our independent registered public accounting firm provide an attestation report on our internal control over financial reporting.

We cannot predict if investors will find our common stock less attractive as a result of our reliance on these exemptions. If some investors find our common stock less attractive as a result of any choice we make to reduce disclosure, there may be a less active trading market for our common stock, our stock price may be more volatile and our stock price may decline dramatically.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Mine Safety Disclosures.**

Not applicable.

**Item 5. Other Information.**

Not applicable.

**Item 6. Exhibits**

See the Exhibit Index immediately following the signature page of this quarterly report on Form 10-Q.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**ADMA Biologics, Inc.**

Date: August 11, 2017

By: /s/ Adam S. Grossman
Name: Adam S. Grossman
Title: President and Chief Executive Officer

Date: August 11, 2017

By: /s/ Brian Lenz
Name: Brian Lenz
Title: Vice President and Chief Financial Officer

## EXHIBIT INDEX

| Exhibit Number | Description |
|---|---|
| 3.1 | Amended and Restated Certificate of Incorporation of the Company (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 12, 2017). |
| 10.1 | Subordinated Loan Agreement, dated as of June 6, 2017, by and among the Company, ADMA BioManufacturing, LLC and Biotest Pharmaceuticals Corporation (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 12, 2017). |
| 10.2 | Stockholders Agreement, dated as of June 6, 2017, by and between the Company and Biotest Pharmaceuticals Corporation (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on June 12, 2017). |
| 10.3 | Registration Rights Agreement, dated as of June 6, 2017, by and between the Company and Biotest Pharmaceuticals Corporation (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on June 12, 2017). |
| 10.4*+ | Transition Services Agreement, dated as of June 6, 2017, by and between ADMA BioManufacturing, LLC and Biotest Pharmaceuticals Corporation. |
| 10.5*+ | Plasma Supply Agreement, dated as of June 6, 2017, by and between ADMA BioManufacturing, LLC and Biotest Pharmaceuticals Corporation. |
| 10.6*+ | Plasma Purchase Agreement, dated as of June 6, 2017, by and between ADMA BioManufacturing, LLC and Biotest Pharmaceuticals Corporation. |
| 10.7* | Purchase Agreement, dated as of June 6, 2017, by and among the Company, Biotest Pharmaceuticals Corporation and ADMA Bio Centers Georgia, Inc. |
| 10.8* | First Amendment to License Agreement, dated as of June 6, 2017, by and between the Company and Biotest Aktiengesellschaft. |
| 10.9* | Fourth Amendment to Plasma Purchase Agreement, dated as of June 6, 2017, by and between the Company and Biotest Pharmaceuticals Corporation. |
| 10.10* | Termination Agreement (Manufacturing, Supply and License Agreement and Master Services Agreement), dated as of June 6, 2017, by and between the Company and Biotest Pharmaceuticals Corporation. |
| 10.11 | Amended and Restated ADMA Biologics, Inc. 2014 Omnibus Incentive Compensation Plan (incorporated by reference to Annex G to the Company's Definitive Proxy Statement filed on April 26, 2017). |
| 31.1* | Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2* | Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |

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|---|---|
| 32.1** | Certification of Principal Executive Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2** | Certification of Principal Financial Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101* | The following materials from ADMA Biologics, Inc.'s Form 10-Q for the quarter ended June 30, 2017, formatted in Extensible Business Reporting Language (XBRL): (i) Condensed Consolidated Balance Sheets as of June 30, 2017 (Unaudited) and December 31, 2016, (ii) Condensed Consolidated Statements of Operations (Unaudited) for the three and six months ended June 30, 2017 and 2016, (iii) Condensed Consolidated Statement of Changes in Stockholders' Equity (Deficit) (Unaudited) for the six months ended June 30, 2017, (iv) Condensed Consolidated Statements of Cash Flows (Unaudited) for the six months ended June 30, 2017 and 2016, and (v) Notes to (Unaudited) Condensed Consolidated Financial Statements. |

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* Filed herewith.

+ Confidential Treatment Requested. Confidential Materials omitted and filed separately with the U.S. Securities and Exchange Commission.

** In accordance with SEC Release 33-8238, Exhibit 32.1 and 32.2 are being furnished and not filed.

**EXECUTED**

# TRANSITION SERVICES AGREEMENT

**by and between**

**ADMA BIOMANUFACTURING, LLC**

**and**

**BIOTEST PHARMACEUTICALS CORPORATION**

**Dated as of June 6, 2017**

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***** Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

**TABLE OF CONTENTS**



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# TRANSITION SERVICES AGREEMENT

TRANSITION SERVICES AGREEMENT (this "Agreement"), dated as of June 6, 2017, by and between **ADMA BioManufacturing, LLC**, a Delaware limited liability company ("ADMA"), and **Biotest Pharmaceuticals Corporation**, a Delaware corporation ("BPC"). ADMA and BPC shall be separately referred to herein as a "Party" and together as the "Parties."

WHEREAS, ADMA Biologics, Inc. ("ADMA Biologics"), ADMA, BPC, Biotest US Corporation and Biotest AG have entered into a Master Purchase and Sale Agreement, dated as of January 21, 2017 (as the same may be amended, supplemented, restated and/or modified from time to time, the "Master Purchase and Sale Agreement"), pursuant to which, among other things, (i) BPC has agreed to sell and ADMA has agreed to purchase the assets of BPC used exclusively in the operation of the Biotest Therapy Business (as defined below) and certain other assets used both in the Biotest Therapy Business and the Biotest Plasma Business (as defined below) mutually agreed by the Parties and (ii) BPC and ADMA have agreed to enter into certain ancillary transactions related thereto as more fully described in the Master Purchase and Sale Agreement and the Commercial Agreements (as defined below) (collectively, the "Transaction"); and

WHEREAS, the Master Purchase and Sale Agreement requires that BPC and ADMA enter into this Agreement at the Effective Time (as defined in the Master Purchase and Sale Agreement) to properly document the transition services to be provided by ADMA, BPC and/or Third Party Service Providers (as defined below) to the applicable Service Recipients (as defined below) in connection with the Transaction.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements entered into herein and in the Master Purchase and Sale Agreement, and intending to be legally bound hereby, ADMA and BPC agree as follows:

## ARTICLE I

## DEFINITIONS

Section 1.1 Certain Defined Terms. For all purposes of this Agreement:

"Access Party" has the meaning assigned to such term in Section 2.2(a).

"Action" means any claim, action, demand, suit, arbitration, hearing, charge, complaint, inquiry, audit, proceeding, investigation, examination, litigation, notice or review by or before any Governmental Authority, arbitrator or arbitral panel.

"ADMA" has the meaning assigned to such term in the Preamble hereto.

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"ADMA Group" means ADMA Biologics, ADMA and each Person that is or becomes a direct or indirect Subsidiary of ADMA after the Closing Date, including any Person that is or was merged into ADMA or any such direct or indirect Subsidiary.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling or Controlled by, or under direct or indirect common Control with, such Person; provided, however, that for purposes of this Agreement, no member of either Group shall be deemed to be an Affiliate of any member of the other Group. For purposes of this definition, the term "Control," when used with respect to any specified Person, means the power to direct or cause the direction of the management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "Controlling" and "Controlled" have correlative meanings.

"Agreement" has the meaning assigned to such term in the Preamble hereto, as such Agreement is amended, restated, supplemented or otherwise modified from time to time.

"Biotest Group" means BPC and each Person that is or becomes a direct or indirect Subsidiary of BPC after the Closing Date, including any Person that is or was merged into BPC or any such direct or indirect Subsidiary.

"Biotest Plasma Business" means all businesses and operations of the Biotest Group, other than the Biotest Therapy Business.

"Biotest Therapy Business" means the development, testing, manufacturing, contract services manufacturing, distribution, marketing and sale of Products (as defined in the Master Purchase and Sale Agreement) that comprise the therapy business unit of BPC immediately prior to the consummation of the Transaction.

"BPC" has the meaning assigned to such term in the Preamble hereto.

"Business" means the Biotest Plasma Business and/or the Biotest Therapy Business, as the context requires.

"Business Day(s)" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York, or Boca Raton, Florida, United States of America are authorized or obligated by Law to be closed.

"Closing Date" has the meaning assigned to such term in the Master Purchase and Sale Agreement.

"Commercial Agreements" has the meaning assigned to such term in the Master Purchase and Sale Agreement.

"Dispute Escalation Notice" has the meaning assigned to such term in Section 6.2.

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"Fees" has the meaning assigned to such term in Section 2.3(a).

"FINRA" means the Financial Industry Regulatory Authority.

"Force Majeure" has the meaning assigned to such term in Section 6.16.

"Governmental Authority" means any nation or government, any federal, national, provincial, state, regional, local or other political subdivision thereof, any supranational organization of sovereign states, and any entity, department, commission, bureau, agency, authority, board, court, official or officer, domestic or foreign, exercising executive, judicial, regulatory or administrative functions of or pertaining to government.

"Group" means the ADMA Group and/or the Biotest Group, as the context requires.

"Indemnified Party" has the meaning assigned to such term in Section 5.1.

"Indemnifying Party" has the meaning assigned to such term in Section 5.1.

"Information" means all information of either the ADMA Group or the Biotest Group, as the context requires, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including non-public financial information, studies, reports, records, books, accountants' work papers, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer data, communications by or to attorneys, memos and other materials prepared by attorneys and accountants or under their direction (including attorney work product), and other technical, financial, legal, employee or business information or data.

"Law" means each provision of any applicable federal, provincial, state, local or foreign law, statute, ordinance, order, code, requirement, rule or regulation, promulgated or issued by any Governmental Authority, as well as any judgments, decrees, injunctions or agreements issued or entered into by any Governmental Authority.

"Licensed Space" has the meaning assigned to such term in Section 2.2(a).

"Losses" has the meaning assigned to such term in Section 5.1.

"Master Purchase and Sale Agreement" has the meaning assigned to such term in the Recitals hereto.

"Parties" has the meaning assigned to such term in the Preamble hereto.

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"Person" means any individual, corporation, partnership, joint venture, limited liability company, trust or unincorporated organization or Governmental Authority.

"Service Provider" means (i) with respect to Service Schedule 1 and 5, BPC, and (ii) with respect to Service Schedules 2-4, ADMA.

"Service Recipient" means (i) with respect to Service Schedules 2-4, any member of the Biotest Group or its permitted assignees under the Master Purchase and Sale Agreement and (ii) with respect to Service Schedule 1 and 5, any member of the ADMA Group or its permitted assignees under the Master Purchase and Sale Agreement.

"Service Schedule" has the meaning assigned to such term in Section 2.1(a).

"Services" has the meaning assigned to such term in Section 2.1(a).

"Subsidiary" means, with respect to any Person, any and all corporations, partnerships, limited liability companies, joint ventures, associations and other entities of which such Person owns, directly or indirectly, more than 50% of the voting securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such entity.

"Term" has the meaning assigned to such term in Section 3.1(a).

"Third Party Service Providers" shall mean third parties which are or will be engaged by a Service Provider or its Affiliates to assist in the delivery of its obligations under this Agreement.

"Transaction" has the meaning assigned to such term in the Recitals hereto.

"Transition" means the transition of the Services provided by a Service Provider or a Third Party Service Provider to such Services being performed by a Service Recipient or provided by or obtained from such Service Recipient's own third party service providers.

Section 1.2 General Interpretive Principles.

(a) When a reference is made in this Agreement to an Article, Section, Exhibit, Schedule, Recital or Preamble, such reference is to an Article, Section, Exhibit, Schedule, Recital or Preamble of or to this Agreement unless otherwise indicated.

(b) The words "hereof," "herein," "hereto" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

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* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(c) A term defined in the singular has a comparable meaning when used in the plural, and vice versa.

(d) Words of one gender include each other gender.

(e) References to a Person are also to such Person's heirs, executors, personal representatives, administrators, successors and permitted assigns; provided, however, that nothing contained in this clause (e) is intended to authorize any assignment or transfer not otherwise permitted by this Agreement.

(f) The term "dollars" and "$" mean United States dollars.

(g) The word "including" means "including without limitation" and the words "include" and "includes" have corresponding meanings.

(h) References herein to a Person in a particular capacity or capacities shall exclude such Person in any other capacity.

(i) With respect to the determination of any period of time, the word "from" means "from and including" and each of the words "to" and "until" means "to but excluding".

(j) The word "or" shall be disjunctive but not exclusive.

(k) References herein to any Law shall be deemed to refer to such Law as amended, reenacted, supplemented or superseded in whole or in part and in effect from time to time and also to all rules and regulations promulgated thereunder.

(l) "Extent" in the phrase "to the extent" means the degree to

which a subject or other thing extends, and such phrase does not mean simply "if".

(m) If the last day for the giving of any notice or the performance of any action required or permitted under this Agreement is a day that is not a Business Day, then the time for the giving of such notice or the performance of such action shall be extended to the next succeeding Business Day.

## ARTICLE II SERVICES

Section 2.1 Services.

(a) The term "Services" shall mean and refer solely to those services the scope of which are described in Schedules 1-5 (each, a "Service Schedule"). References herein to this Agreement shall include the Service Schedules. To the extent there is a conflict between the terms of this Agreement and a Service Schedule, the Service Schedule shall control.

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(b) At any time during the Term, subject to the other terms of this Agreement, the Parties may agree to subtract from/add to the Services being performed under a Service Schedule without violating this Agreement. Any agreed changes shall be in writing and signed by an authorized representative of each Party (a "Change Order"). Any additional work required as a result of a Change Order shall be done at the rate specified in the applicable Service Schedule unless otherwise provided in the applicable Change Order.

(c) Commencing on the Closing Date and continuing throughout the applicable Term, subject to changes in applicable Law, each Service Provider agrees to provide through its Group and/or Third Party Service Providers, the Services in accordance with the applicable Service Schedules. Except as otherwise set forth in the Service Schedules, (i) BPC, if it is the Service Provider, shall provide the Services set forth on Schedules 1 and 5 to ADMA in a commercially reasonable manner and to the same extent and with at least the same level of service and degree of quality that services of a similar kind were provided by BPC to the applicable Business immediately prior to the Closing Date and (ii) ADMA, if it is the Service Provider, shall provide the Services set forth on Schedules 2–4 to BPC in a commercially reasonable manner comparable to how ADMA provides similar services to its own business or, if such Services were not provided by ADMA prior to the date hereof, in a manner consistent with reasonable industry standards. Such Service Provider shall use commercially reasonable efforts to cause its Third Party Service Providers to provide to the Service Recipient to the same extent and with at least the same level of service and degree of quality that services of a similar kind were provided by such Third Party Service Providers to the applicable Business immediately prior to the Closing Date.

(d) To the extent that any of the assets required by a Party (as Service Provider hereunder) to provide any Services are the property of the applicable Service Recipient following the Transaction, such Service Recipient hereby grants to the applicable Service Provider a limited, non-exclusive license and right to use such assets, for a period not to exceed the applicable Term, for the purpose of providing such Services and aiding the Transition on the terms and subject to the conditions set forth in this Agreement.

(e) Each Service Provider shall, and shall cause its respective employees to, comply with all applicable Laws in connection with the provision of the Services.

(f) The Parties shall use their respective commercially reasonable efforts to complete the Transition as soon as practicable and in no event later than the expiration of the applicable Term and shall commit and provide sufficient and appropriate resources to timely complete the Transition. During the applicable Term, each Service Provider shall also use its commercially reasonable efforts to assist the applicable Service Recipient in obtaining licenses and/or consents or other necessary approvals with or from any of such Third Party Service Providers who are providing Services to such Service Recipient, or to such Service Provider for the benefit of such Service Recipient; *provided* that, except as expressly set forth on a Service Schedule, in no event shall such assistance by such Service Provider require or be deemed to require such Service Provider to incur any additional costs or make any additional payments to any such Third Party Service Providers, in each case other than any required immaterial third-party documentation and/or processing fees and expenses; *provided, further*, that Service Recipient may, at its option, make such payments in order to maintain or secure the services of such Third Party Service Provider. After the expiration of the applicable Term, each Party shall be responsible for obtaining for its own benefit such licenses, consents or other necessary approvals from such Third Party Service Providers.

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(g) Each Service Recipient acknowledges and agrees that, other than complying with the applicable efforts obligations under Section 2.1(f) above, (i) a Service Provider has no obligation to actually obtain licenses or consents with any Third Party Service Provider in connection with the Services and (ii) any failure by a Service Provider to actually obtain any such license or consent will not constitute a breach of this Agreement or the negligence or willful misconduct of such Service Provider; *provided* that failure to obtain any such license or consent shall not relieve such Service Provider of its obligations to provide the applicable Services set forth herein, unless providing such Services without such license or consent would violate applicable Law or cause such Service Provider to be in breach of or default under such Service Provider's Contract with such Third Party Service Provider (other than in a de minimis respect), in which case such Service Provider will not be obligated to provide such Services. A Service Recipient shall not have any liability resulting from a Service Provider's failure to obtain any such license or consent; *provided* that such Service Recipient has complied with the applicable efforts obligations under Section 2.1(f) above.

(h) Notwithstanding anything to the contrary herein, this Agreement does not apply to the services that are expressly agreed to be provided by, or the other obligations of, a particular Service Provider (or any of its Subsidiaries) to a particular Service Recipient (or any of its Subsidiaries) pursuant to the Master Purchase and Sale Agreement or any Commercial Agreement.

(i) If, after the execution of this Agreement, the Parties reasonably determine that a service that (i) was provided by a Service Provider or a Third Party Service Provider to a Business prior to the Closing Date and (ii) is reasonably necessary to the conduct of such Business after the Closing Date, was unintentionally omitted from the Service Schedules, then subject to the terms and conditions of this Agreement, such Service Provider shall provide (or shall use commercially reasonable efforts to cause such Third Party Service Provider to provide) such additional service to the applicable Service Recipient (with such service becoming a contracted Service for purposes of this Agreement) and a Service Schedule shall be created for such Service, it being agreed by the Parties that the charges for such additional Services shall be determined in accordance with Exhibit A.

(j) The Parties hereby agree that each Service Provider is under no obligation to enter into any engagements with additional Third Party Service Providers in connection with this Agreement unless (i) such Service Provider is entering into such new engagements with respect to its own internal business or in its ordinary course of business and (ii) the applicable Service Recipient is not able to engage its own third party service providers with respect to the same subject matter within the applicable timing needs of such Service Recipient. Each Party shall use its commercially reasonable efforts to transition from the other Group and the Third Party Service Providers to itself or its own third party service providers as promptly as practicable and, in any event, prior to the expiration of the applicable Term.

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(k) Prior to accessing any property of the Service Provider or any members of its respective Group, including the Licensed Space, Service Recipient shall have or obtain, and during the period of such access shall maintain, at its expense, commercial general liability insurance, on an "occurrence" basis, in the case of ADMA, and on an "claims-made" basis, in the case of BPC, in each case including a contractual liability endorsement, and personal injury liability coverage, with the Service Provider named as additional insured, from an insurer reasonably acceptable to the Service Provider, which insurance policies must have limits for bodily injury and death of not less than [***] for any one occurrence and not less than [***] for property damage liability for any one occurrence. Prior to making entry upon any property of the Service Provider, including the Licensed Space, the Service Recipient shall furnish to the Service Provider certificates of insurance evidencing the foregoing coverages.

Section 2.2 Facility License.

(a) ADMA hereby grants BPC and each of its employees, agents, representatives and contractors (each, an "Access Party"), at no cost to BPC (other than any costs required to be paid by BPC as set forth in Service Schedules 3 and 4), an irrevocable, limited, non-exclusive (subject to the last sentence of this Section 2.2(a)) license, subject to the terms, covenants and conditions of this Section 2.2 and to Service Schedules 2-4, for the reasonable use of, and access to, the facilities (including the furnishings, fixtures, equipment and assets contained therein) described on Service Schedules 3 and 4 (collectively, the "Licensed Space") for the Term. The Parties understand that ADMA, ADMA Biologics and their respective employees, agents, representatives and contractors will also be using the Licensed Space during the Term; provided, that during the Term, ADMA may not further license or lease the Licensed Space to any party other than BPC.

(b) BPC shall use the Licensed Space for substantially the same purposes as the Licensed Space was used immediately prior to the Closing Date and for no other purposes. BPC and each Access Party shall have the right to access the Licensed Space in connection with BPC's operation of the Biotest Plasma Business. BPC and each Access Party shall have access to the common areas of the applicable real property in which the Licensed Space is located to the extent reasonably necessary in connection with and in furtherance of its use of the Licensed Space as set forth on Schedules 3 and 4. BPC shall at its sole expense maintain the Licensed Space in as good order and condition as the same was on the Closing Date, reasonable wear and tear excepted, and repair any damage to the Licensed Space caused by BPC (or an Access Party) during the Term.

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(c) Upon the expiration or earlier termination, pursuant to this Agreement, of the license granted under this Section 2.2, BPC shall, at its sole cost and expense, (i) remove (and cause each Access Party to remove) its personal property, equipment and other goods and effects from the Licensed Space, (ii) repair any damage to the Licensed Space caused by BPC (or an Access Party) during the Term, reasonable wear and tear excepted, and (iii) otherwise vacate (and cause each Access Party to vacate) the Licensed Space peaceably and quietly and in as good order and condition as the same were in on the Closing Date, reasonable wear and tear excepted. In the event BPC fails to make the aforementioned repairs as set forth above, ADMA shall have the right to make said reasonable repairs and charge BPC the reasonable costs of such repairs, and BPC shall reimburse ADMA within [***] days of receipt of an invoice therefor. ADMA shall notify BPC regarding any property of BPC (or of an Access Party) left at the Licensed Space after the expiration or earlier termination of the license granted under this Section 2.2, and BPC shall have the right to access during regular business hours and at reasonable agreed-upon times the Licensed Space to remove such property within [***] days of receipt of such notice. Any property of BPC not so removed shall be deemed to have been abandoned and the property of ADMA, to be disposed of as ADMA deems expedient, and BPC shall reimburse ADMA for the reasonable third party costs and expenses incurred in connection with such disposition within [***] days of receipt of an invoice therefor.

(d) The rights granted in favor of BPC under this Section 2.2 are in the nature of a license in respect of the Licensed Space and shall not create any leasehold or other estate or possessory rights in such Licensed Space. Any occupancy of the Licensed Space by BPC (or an Access Party) after the date of the expiration of the Term (or any earlier termination of the license granted under this Section 2.2 pursuant to this Agreement) shall be deemed a trespass (other than with respect to the removal by BPC of any of its property in accordance with Section 2.2(c)).

(e) BPC hereby accepts the Licensed Space in its "as is" "where is" "with all faults" condition as of the Closing Date. ADMA shall not be obligated to perform any work or furnish any materials in, to or about the Licensed Space in order to prepare the Licensed Space for use or occupancy by BPC, any other Access Party or otherwise.

(f) During the term of the license granted under this Section 2.2, ADMA shall at its sole expense use commercially reasonable efforts to maintain the Licensed Space in substantially comparable condition (reasonable wear and tear excepted) as the Licensed Space is on the date hereof and in compliance with all applicable Laws, including (i) maintaining the roof, systems and common areas of such real property, and (ii) repairing damages to the Licensed Space not caused by BPC (or an Access Party), in each case in the ordinary course of business consistent with past practice at the Licensed Space.

(g) BPC shall not make any alterations, additions or improvements to the Licensed Space without the prior written consent of ADMA.

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(h) Notwithstanding anything herein to the contrary, the Parties acknowledge and agree that the license granted by ADMA to BPC pursuant to this Section 2.2 is and shall at all times, unless Oxford (as defined below) shall otherwise elect in writing, be subject and subordinate to that certain Mortgage, Assignment of Rents, and Fixture Filing (the "Mortgage"), between ADMA, as mortgagor and debtor and Oxford Finance LLC, a Delaware limited liability company ("Oxford"), as "Collateral Agent" for the ratable benefit of itself and the Lenders (as defined in the Mortgage) now or hereafter parties to the Loan Agreement (as defined in the Mortgage), dated as of the date hereof, affecting the fee title of the Licensed Space and to all amendments, renewals, modifications, consolidations, participations, replacements and extensions thereof. The aforesaid provision shall be self-operative and no further instrument of subordination shall be necessary unless requested by Oxford in which event the Parties shall execute any additional documentation reasonably requested by Oxford to effectuate such subordination.

Section 2.3 Fees & Costs.

(a) Each Service Schedule shall, in addition to the Services to be delivered by a Service Provider, set forth the fees to be paid by the Service Recipient for such Services (collectively, the "Fees"). If not set forth in any Service Schedule, the Parties agree that the Fees for each of the Services are intended to be equal to the Service Provider's applicable allocated costs (without markup) to the applicable Business prior to the Transaction.

(b) Not more than [***] days following the end of each calendar month during the Term, each Service Provider (directly or through one or more of its Affiliates) shall issue a monthly invoice to the Service Recipient, setting forth the Fees (itemized by Service) and any applicable taxes payable by such Service Recipient for such calendar month.

(c) Except as otherwise provided herein or in the applicable Service Schedules, the aggregate undisputed Fees under the Service Schedules shall be paid in full by each Service Recipient within [***] days following receipt of an invoice from the Service Provider, unless such Service Recipient in good faith disputes the amount of Fees contained in any such invoice, as provided in Section 2.3(d) below. Each Party may charge the other a late fee of one percent (1%) per month for any undisputed Fees not paid when due.

(d) If a Service Recipient, in good faith, disputes any Fees, it shall promptly submit to the Service Provider written notice of such dispute and may withhold from its payment of the relevant invoice only such disputed amounts (except for applicable taxes), subject to resolution in accordance with Section 6.2; *provided*, *however*, that in no event shall any Service Recipient dispute any Fees with respect to Services provided to such Service Recipient by a Third Party Service Provider to the extent such Fees are documented by an invoice of such Third Party Service Provider and a copy of such invoice is delivered to such Service Recipient. Pending resolution of such disputed Fees, a Service Provider shall be obligated to continue providing Services in accordance with this Agreement.

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(e) Each Service Recipient understands that prior to the date of this Agreement, the Service Provider may have contracted with Affiliates or Third Party Service Providers to provide services in connection with all or any portion of the Services. In providing Services hereunder, each Service Provider may subcontract with its present and future Affiliates or Third Party Service Providers to provide such Services (and may increase the scope of such engagement of Affiliates or Third Party Service Providers).

(f) Promptly after receiving written notice thereof, each Service Provider shall use its commercially reasonable efforts to correct any errors or omissions in any of the Services that it has provided to a Service Recipient hereunder.

Section 2.4 Transition. During the period of the applicable Term hereunder, each of ADMA and BPC shall cooperate with each other with respect to the Transition and shall use their respective commercially reasonable efforts to timely complete the Transition during such applicable Term.

Section 2.5 Computer and Books and Records Access. Each Party shall keep complete and accurate records in all material respects in connection with the provision of Services and such records shall be kept in sufficient detail to permit independent audit of such records in accordance with this Section 2.5. Subject to the confidentiality restrictions set forth herein, during the applicable Term, each Party shall, and shall cause the other members of its Group to, provide reasonable access to the other Party and its legal representatives or independent accountants or auditors to all of its respective computer equipment and software and historical and current books and records as is reasonably necessary for the performance of the Services hereunder and for the continued business operation of the applicable Business of the other Party. To the extent that in providing Services hereunder a Party will (i) host the data, books, records or other confidential information of the other Party, (ii) maintain personally identifiable information collected by the other Party or (iii) otherwise host personal or confidential information covering the business or employees of the other Party, such Party agrees to, and to cause the other members of its Group to, abide by the written data security and privacy policies of the other Party; *provided* that such policies have been made available to such Party in advance. Neither Party shall use its access to the confidential information of the other Party for anything other than the receipt or provision of the Services hereunder. Notwithstanding anything to the contrary in this Agreement, no Party shall be required to disclose any information to the other Party, its legal representatives, independent accountants or auditors if doing so would (a) contravene any Law to which such Party is subject or any agreement by which such Party is bound or (b) result in the waiver of any attorney-client privilege or work product protection of such Party.

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## ARTICLE III

## TERM AND TERMINATION

Section 3.1 Term. Subject to the last sentence of this Section 3.1, the initial term of this Agreement shall commence on the date hereof and end on the second anniversary thereof, unless earlier terminated in accordance with Section 3.2 below; *provided*, *however*, that if the Parties wish to extend the term for which either Party will receive any of the Services hereunder beyond the initial term, the Parties shall enter into good faith negotiations at least six (6) months prior to the termination of the applicable initial term and following such negotiation may enter into a written agreement at least ninety (90) days prior to the termination of the applicable initial term, which term may then be extended for such Service for an additional period not to exceed twelve (12) months from the scheduled initial expiration of the applicable initial term for such Service (the foregoing time periods, as the case may be, including any applicable extension, referred to herein as the applicable "Term"). If the Parties agree (or if required by applicable Law), the Service Schedules will set forth any shorter periods for which particular Services will be provided.

Section 3.2 Termination by BPC or ADMA.

(a) Except as otherwise provided by Law, this Agreement may be terminated by either BPC or ADMA at any time upon written notice to the other Party, if (i) the other Party is adjudicated as bankrupt, (ii) any insolvency, bankruptcy or reorganization proceeding is commenced by the other Party under any insolvency, bankruptcy or reorganization act, (iii) any action is taken by others against the other Party under any insolvency, bankruptcy or reorganization act and such Party fails to have such proceeding stayed or vacated within ninety (90) days or (iv) if the other Party makes an assignment for the benefit of creditors, or a receiver is appointed for the other Party which is not discharged within thirty (30) days after the appointment of the receiver.

(b) Any Service provided hereunder may be terminated by either ADMA or BPC at any time upon written notice to the other Party if the other Party fails to pay the amount of any undisputed Fees payable by it for such Service in accordance with Section 2.3 hereof and such failure is not cured within thirty (30) days after written notice from ADMA or BPC, as applicable.

(c) Any Service provided hereunder may also be terminated by either ADMA or BPC at any time upon written notice to the other Party if the other Party is in material breach of any of its obligations under this Agreement with respect to such Service (other than the obligation to pay the amount of any undisputed Fees payable by it for such Service in accordance with Section 2.3 hereof); *provided*, that in the event that BPC or ADMA, as the case may be, desires to terminate any Service pursuant to this Section 3.2(c), the Party that wishes to terminate such Service shall provide a Dispute Escalation Notice to the other Party and termination of such Service shall be permitted only after the Parties have complied with the dispute resolution procedures set forth in the first three sentences of Section 6.2.

(d) Any Service provided hereunder may also be terminated by either ADMA or BPC, in each case in its capacity as Service Recipient, at the end of any calendar month; *provided*, that except as otherwise provided in the Service Schedules, ADMA or BPC shall give the other Party at least fifteen (15) Business Days prior written notice specifying the date that such termination is to be effective (or such shorter notice as may be agreed upon by BPC and ADMA). Notwithstanding the foregoing, no prior notice is required to terminate any Service for which the Transition of such Service has been completed, which termination shall be effective immediately upon receipt of such notice by the applicable Service Provider.

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Section 3.3 Effect of Termination. In the event this Agreement or any Services are validly terminated as provided herein, each of the Parties shall be relieved of its duties and obligations arising with respect thereto after the date of such termination; *provided*, *however*, that (i) the provisions set forth in Articles IV, V and VI hereof shall survive any termination of this Agreement, (ii) such termination in and of itself shall not relieve a Party of liability for a breach prior to the date of such termination and (iii) such termination shall not relieve a Party of its obligation to pay accrued and unpaid Fees through the date of such termination which shall be paid within 30 days of such termination. For the avoidance of doubt, in the event of any termination of one or more Services, the Fees applicable to such Services, in accordance with Section 2.3 above, shall no longer be charged or due after the effective date of such termination and in the event of a material reduction by a Service Recipient of the amount of the Services it elects to continue to receive, the Fees applicable to such Services shall be appropriately reduced thereafter if costs to the Service Provider are correspondingly reduced as a result of such reduction. All terminated Services will be wound up per the Service Schedules.

## ARTICLE IV

## CONFIDENTIALITY

Section 4.1 General. The Parties agree to maintain the confidentiality of the contents of this Agreement and the dealings between the Parties with the same degree of care as they use to protect their own proprietary, confidential or trade secret information (provided, that in no event shall either Party use less than a reasonable degree of care). Subject to the last sentence of this Section 4.1, neither Party shall disclose to any third party any Information received from the other hereunder without such other Party's prior written consent and shall use such Information only for the purpose of this Agreement. The Parties agree to hold the name and location of any and all testing labs and facilities as well as names of key personnel at the testing labs as Information hereunder. This Section 4.1 shall not apply to any Information which (i) was in the public domain at the time of its disclosure or thereafter becomes part of the public domain by publication or otherwise subsequent to the time of disclosure under this Agreement other than as a result of disclosure by the receiving party or its representatives in breach of this Agreement or any other duty of confidentiality; (ii) is independently developed by the receiving party without use of the other Party's Information; (iii) is disclosed with the written approval of the disclosing party; (iv) is furnished to the receiving party by a third party having the authority to disclose such Information and, to the knowledge of the receiving party, the disclosure of such Information by the third party to the receiving party is not subject to a confidentiality obligation; (v) is disclosed by Law or in response to a valid order of a court or other governmental body of competent jurisdiction, but only to the extent legally required on the advice of outside legal counsel and for the purpose of such Law, and only if the receiving party first notifies the disclosing party of the required disclosure and permits the disclosing party, at its sole expense, to seek an appropriate legal remedy to maintain the Information in secret (and if the disclosing party seeks such a legal remedy, the receiving party agrees to, and to cause its representatives to, cooperate as the disclosing party shall reasonably request at the disclosing party's expense); or (vi) is required to be included in any filings made with the U.S. Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (which, for the avoidance of doubt, shall include filing a copy of this Agreement with the U.S. Securities and Exchange Commission); *provided*, *however*, that the Parties shall use commercially reasonable efforts to obtain confidential treatment of any Information that is disclosed pursuant to this clause (iv).

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Section 4.2 Return or Destruction of Confidential Information. Upon the expiration of the applicable Term, upon the disclosing party's request, the receiving party shall promptly either return, destroy or erase (including expunging all Information from any computer, server or other device containing such information) all Information (including all copies, reproductions, summaries, analyses or extracts thereof or based thereon) in the possession or control of the receiving party or any of its representatives (and, in the case of destruction or erasure, provide to the disclosing party a certificate addressed to the disclosing party confirming such destruction or erasure). Notwithstanding any such return, destruction or erasure of the Information, the receiving party and its representatives shall continue to be bound by the obligations of confidentiality hereunder. Notwithstanding the foregoing, the receiving party and its representatives (a) may retain the Information to comply with applicable Law or bona fide internal record-keeping policies and (b) shall not be required to erase or expunge any Information residing on the receiving party's automatic electronic backup or archival systems to the extent impracticable; *provided*, that the receiving party and its representatives shall continue to be bound by the obligations of confidentiality and use hereunder until the sooner of the time such Information is returned or destroyed in accordance herewith or the two year anniversary of the expiration of the applicable Term.

Section 4.3 Survival. The obligations of confidentiality in this Article IV shall survive the termination of this Agreement and shall continue with respect to donor information without limit of time and in respect of other confidential information for a period of [***] years.

Section 4.4 Ownership of Data. To the extent related to a particular Business, the related Service Recipient shall own all right, title and interest in and to all data generated for such Service Recipient by the Service Provider, its Affiliates and any Third Party Service Providers in providing the applicable Services.

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**ARTICLE V**

**INDEMNIFICATION**

Section 5.1 Indemnification.

(a) From and after the Closing Date, ADMA shall indemnify BPC, BPC's Affiliates and each of their respective officers, directors, stockholders, employees, agents, representatives, successors and permitted assigns (each, a "BPC Indemnified Party") against and hold them harmless from any and all liabilities, losses, damages, claims, costs, expenses, interest, awards, judgments and penalties (including reasonable and documented fees for outside counsel, accountants and other outside consultants) (collectively, "Losses") suffered or incurred by such BPC Indemnified Party in connection with (1) a breach of this Agreement by ADMA, (2) the negligence or willful misconduct of ADMA in its performance of its obligations hereunder, (3) in the case of Financial Services provided by BPC as described in Schedule 1.1, the calculation of prices by ADMA that are, or are required to be, reported by ADMA or its Affiliates or BPC to any government program, (4) the failure by ADMA or its Affiliates to remain in compliance in all material respects with licenses of BPC used by ADMA in the conduct of the Biotest Therapy Business and (5) BPC's continuing on as tenant under either (i) that certain Standard Industrial Lease - Boca Industrial Park, by and between BOCA INDUSTRIAL PARK, LTD. ("Landlord") and ADMA (as successor-in-interest to BPC), dated November 8, 2012, as amended by that certain First Amendment to Standard Industrial Lease, dated April 25, 2013, that certain Second Amendment to Standard Industrial Lease, dated as of April 25, 2013, that certain Third Amendment to Standard Industrial Lease, dated as of July 1, 2013, and that certain Fourth Amendment to Standard Industrial Lease dated as of May 30, 2017, and/or (ii) that certain Standard Industrial Lease - Holland Drive Industrial Park, dated December 15, 2010, by and between Landlord and ADMA (as successor-in-interest to BPC), as amended by that certain First Amendment to Standard Industrial Lease, dated December 20, 2012, and that certain Second Amendment to Standard Industrial Lease, dated as of October 22, 2014, and any additional amendments entered into with ADMA's prior written consent and with respect to the foregoing leases after the date hereof.

(b) BPC shall indemnify ADMA, ADMA's Affiliates and each of their respective officers, directors, stockholders, employees, agents, representatives, successors and permitted assigns (each, an "ADMA Indemnified Party" and any ADMA Indemnified Party or BPC Indemnified Party, an "Indemnified Party") against and hold them harmless from any and all Losses suffered or incurred by such ADMA Indemnified Party in connection with (1) a breach of this Agreement by BPC and (2) the negligence or willful misconduct of BPC in its performance of its obligations hereunder.

(c) Notwithstanding anything to the contrary in Section 5.1(a) or 5.1(b), the Party against whom an indemnification claim is made under this Agreement (the "Indemnifying Party") shall not be deemed to have breached this Agreement, to have been negligent or to have engaged in willful misconduct, to the extent that Losses arise as a result of information provided by or on behalf of the Indemnified Party to the Indemnifying Party or any actions taken or omitted to be taken by the Indemnifying Party upon the written direction or instruction of such Indemnified Party. Notwithstanding the generality of the foregoing or anything else contained in this Article V to the contrary, BPC shall indemnify the ADMA Indemnified Parties against and hold them harmless from any and all Losses suffered or incurred by such ADMA Indemnified Party resulting directly from BPC's or any Access Party's use of the Licensed Space to the extent such Losses are not the result of the negligence or willful misconduct of, or breach hereof by, such ADMA Indemnified Party.

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(d) For avoidance of doubt, this Article V applies solely to the specific matters and activities covered by this Agreement (and not to matters specifically covered by the Master Purchase and Sale Agreement or the Commercial Agreements). Nothing in this Agreement shall limit the indemnification rights of the Parties under the Master Purchase and Sale Agreement or the Commercial Agreements and shall not be taken into account for purposes of determining or calculating Losses thereunder, nor shall this Agreement or the Services to be provided hereunder modify the Parties' obligations under the Master Purchase and Sale Agreement with respect to Assumed Liabilities and Excluded Liabilities.

(e) The amount of any Losses payable under Section 5.1 by the Indemnifying Party shall be net of any amounts actually recovered by the Indemnified Party from any other Person alleged to be responsible therefor. If the Indemnified Party receives any amounts from any other Person alleged to be responsible for any Losses subsequent to an indemnification payment by the Indemnifying Party, then the Indemnified Party shall promptly reimburse the Indemnifying Party for the amount actually paid by the Indemnifying Party to the Indemnified Party in respect of such indemnification payment up to the amount received by the Indemnified Party, net of any expenses incurred by the Indemnified Party in collecting such amount.

Section 5.2 Procedures for Indemnification of Third Party Claims.

(a) In order for any Indemnified Party to be entitled to any indemnification provided for under this Agreement in respect of, arising out of or involving an Action by any third Person against the Indemnified Party (a "Third-Party Claim"), such Indemnified Party must notify the Indemnifying Party of such Third-Party Claim in writing (and stating in reasonable detail in light of circumstances then known to such Indemnified Party the basis of such Third-Party Claim) promptly after receipt by such Indemnified Party of notice of the Third-Party Claim; *provided*, *however*, that failure by such Indemnified Party to give such notification shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent the Indemnifying Party (i) demonstrates that it has been actually and materially prejudiced as a result of such failure or (ii) forfeits any rights or defenses that would otherwise have been available to the Indemnifying Party but for such failure. Thereafter, to the extent legally permissible, the Indemnified Party shall deliver to the Indemnifying Party, within five (5) Business Days after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third-Party Claim.

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(b) If a Third-Party Claim is made against an Indemnified Party, the Indemnifying Party shall be entitled (i) to participate in the defense thereof, and (ii) if it so chooses, upon written notice delivered to the Indemnified Party within thirty (30) days after receipt of notice of such Third-Party Claim from the Indemnified Party, to assume the defense thereof, in each case, with counsel selected by the Indemnifying Party, which counsel shall be reasonably satisfactory to the Indemnified Party; *provided*, that the Indemnifying Party shall not be entitled to assume the defense of any Third-Party Claim if any of the conditions set forth in Section 5.2(c) is not satisfied. Should the Indemnifying Party so elect to assume the defense of a Third-Party Claim, and is permitted to do so under Section 5.2(c), (x) the Indemnifying Party shall not be liable to the Indemnified Party for any legal expenses subsequently incurred by the Indemnified Party in connection with the defense thereof, and (y) the Indemnified Party shall have the right to participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Indemnifying Party, it being understood that the Indemnifying Party shall control such defense (subject to Section 5.2(c)). The Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof; *provided*, *however*, that the Indemnifying Party will not be required to pay the fees and expenses of more than one counsel for all Indemnified Parties in any jurisdiction in any single Third-Party Claim. The Indemnifying Party or the Indemnified Party, as the case may be, shall at all times use reasonable efforts to keep the Indemnifying Party or the Indemnified Party, as the case may be, reasonably apprised of the status of any matter the defense of which they are maintaining. If the Indemnifying Party chooses to defend or prosecute a Third-Party Claim, all the Indemnified Parties shall reasonably cooperate in the defense or prosecution thereof. Such cooperation shall include the retention and (upon the Indemnifying Party's request) the provision to the Indemnifying Party of records and information that are reasonably relevant to such Third- Party Claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Whether or not the Indemnifying Party assumes the defense of a Third-Party Claim, the Indemnified Party shall not admit any liability with respect to, or settle, compromise or discharge, such Third-Party Claim without the Indemnifying Party's prior written consent (which consent shall not be unreasonably withheld). If the Indemnifying Party assumes the defense of a Third-Party Claim, the Indemnified Party shall agree to any settlement, compromise or discharge of such Third-Party Claim if (I) the Indemnifying Party recommends such settlement, compromise or discharge, (II) the Indemnifying Party would be obligated to pay the full amount of the Losses in connection with such Third- Party Claim under the terms of this Agreement and (III) such settlement, compromise or discharge completely and unconditionally releases the Indemnified Party from all Losses in connection with such Third-Party Claim, does not entail any admission of liability on the part of the Indemnified Party and would not otherwise adversely affect the Indemnified Party. Any consent to be given by an Indemnified Party under this Section 5.2(b) shall be given by ADMA or BPC, as applicable.

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(c) Notwithstanding Section 5.2(b), the Indemnifying Party shall not be entitled to control the defense or settlement of any Third-Party Claim if any of the following conditions are not satisfied:

(i) the Indemnifying Party must diligently defend such Third-Party Claim;

(ii) the Indemnifying Party must furnish the Indemnified Party with evidence reasonably satisfactory to the Indemnified Party that the financial resources of the Indemnifying Party, in the Indemnified Party's reasonable judgment, are and will be sufficient (when considering Losses in respect of all other outstanding claims by the applicable Indemnified Parties under this ARTICLE V) to satisfy any Losses relating to such Third-Party Claim;

(iii) such Third-Party Claim shall not involve criminal actions or allegations of criminal conduct by the Indemnified Party, and shall not involve Actions for specific performance or other equitable relief against the Indemnified Party;

(iv) such Third-Party Claim would not reasonably be expected to have a material adverse effect on the Indemnified Party's business and does not relate to its customers, suppliers, vendors or other service providers; and

(v) there does not exist, in the Indemnified Party's good faith judgment based on the advice of outside legal counsel, a conflict of interest which, under applicable principles of legal ethics, would reasonably be expected to prohibit a single legal counsel from representing both the Indemnified Party and the Indemnifying Party in such Third-Party Claim.

(d) In the event of payment by or on behalf of any Indemnifying Party to any Indemnified Party in connection with any Third Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnified Party as to any events or circumstances in respect of which such Indemnified Party may have any right, defense or claim relating to such Third Party Claim against any claimant or plaintiff asserting such Third Party Claim or against any other Person. Such Indemnified Party shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

Section 5.3 Procedures for Indemnification for Direct Claims. In the event any Indemnified Party should have a claim against any Indemnifying Party under Section 5.1 that does not involve a Third Party Claim being asserted against or sought to be collected from such Indemnified Party, the Indemnified Party shall deliver written notice of such claim with reasonable promptness to the Indemnifying Party. Such notice shall describe the claim in reasonable detail, and shall indicate the estimated amount, if reasonably practicable, of the Losses that have been or may be sustained by the Indemnified Party in respect of such claim. Notwithstanding the foregoing, the failure of any Indemnified Party or other Person to give notice as provided in this Section 5.3 shall not relieve the related Indemnifying Party of its obligations under this Article V, except to the extent that the Indemnifying Party (a) demonstrates that it has been actually and materially prejudiced by such failure or (b) forfeits any rights or defenses that would otherwise have been available to the Indemnifying Party but for such failure. The Indemnifying Party shall have thirty (30) calendar days after its receipt of such notice to respond in writing to such claim. If the Indemnifying Party does not respond in writing within thirty (30) days after its receipt of such notice, such claim specified by the Indemnified Party in such notice shall be conclusively deemed a liability of the Indemnifying Party under Section 5.1, and the Indemnifying Party shall pay the amount of such Losses to the Indemnified Party on demand or, in the case of any written notice in which the amount of the claim (or any portion thereof) is estimated, on such later date when the amount of such claim (or such portion thereof) becomes finally determined. If the Indemnifying Party responds within thirty (30) days and in such response disputes its obligation to indemnify the Indemnified Party with respect to all or part of such claim, the Indemnifying Party and the Indemnified Party shall proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations within thirty (30) days of notice of such dispute from the Indemnifying Party, such dispute shall be resolved in accordance with Section 6.3.

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Section 5.4 Indemnification Payments. All amounts required to be paid pursuant to this Article V shall be paid promptly in immediately available funds by wire transfer to a bank account designated by the Indemnified Party.

Section 5.5 Limitation on Damages.

(a) IN NO EVENT SHALL EITHER PARTY AND/OR ITS AFFILIATES OR ANY OF THEIR DIRECTORS, OFFICERS, EMPLOYEES, STOCKHOLDERS, AGENTS, REPRESENTATIVES OR SUBCONTRACTORS BE LIABLE REGARDLESS OF THE FORM OF ACTION OR LEGAL THEORY FOR INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND RELATED TO THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, INCLUDING LOST PROFITS, LOSS OF DATA OR BUSINESS INTERRUPTION (EXCEPT TO THE EXTENT SUCH EXCLUDED DAMAGES ARE AWARDED TO A THIRD PARTY IN A FINAL, NON-APPELABLE ORDER BY A COURT OF COMPETENT JURISDICTION IN CONNECTION WITH A THIRD PARTY CLAIM).

(b) NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, THE AGGREGATE LOSSES FOR WHICH EACH PARTY IS OBLIGATED TO INDEMNIFY THE APPLICABLE INDEMNIFIED PARTIES UNDER SECTION 5.1 SHALL IN NO EVENT EXCEED [***]; PROVIDED THAT THE CAP SHALL NOT APPLY TO LOSSES AWARDED IN ANY THIRD PARTY CLAIM FINALLY DETERMINED BY A COURT OF COMPETENT JURISDICTION.

Section 5.6 Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES, AND EACH PARTY EXPRESSLY DISCLAIMS, ANY AND ALL REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS, IMPLIED OR STATUTORY, WRITTEN OR ORAL, WITH RESPECT TO THE SERVICES TO BE PROVIDED UNDER THIS AGREEMENT, INCLUDING WARRANTIES WITH RESPECT TO MERCHANTABILITY, OR SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE OR TRADE USAGE.

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Section 5.7 Survival. The provisions of Article V shall survive termination of this Agreement.

**ARTICLE VI**

**MISCELLANEOUS**

Section 6.1 Cooperation. Each Party shall, and shall cause its Affiliates to, use commercially reasonable efforts to cooperate with the other Party in all matters relating to the provision and receipt of Services, including providing information and documentation sufficient for the other Party to provide the Services and making available, as reasonably requested by the other Party, timely decisions, approvals and acceptances in order that the other Party and its Affiliates may perform their respective obligations under this Agreement in a timely manner.

Section 6.2 Negotiation. In the event that any dispute arises between the Parties that cannot be resolved, either Party shall have the right to refer the dispute for resolution to the chief financial officers of the Parties by delivering to the other Party a written notice of such referral (a "Dispute Escalation Notice"). Following receipt of a Dispute Escalation Notice, the chief financial officers of the Parties shall negotiate in good faith to resolve such dispute. In the event that the chief financial officers of the Parties are unable to resolve such dispute within fifteen (15) Business Days after receipt of the Dispute Escalation Notice, either Party shall have the right to refer the dispute to the chief executive officers of the Parties, who shall negotiate in good faith to resolve such dispute for an additional fifteen (15) Business Days. In the event that the Parties are unable to resolve such dispute within thirty (30) Business Days after the date of the Dispute Escalation Notice, either Party shall have the right to commence litigation in accordance with Section 6.3. The Parties agree that all discussions, negotiations and other information exchanged between the Parties during the foregoing escalation proceedings shall be without prejudice to the legal position of a Party in any subsequent Action.

Section 6.3 Consent to Jurisdiction; Forum; Service of Process; Waiver of Jury Trial.

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(a) Subject to the prior exhaustion of the procedures set forth in Section 6.2, each of the Parties irrevocably agrees that any Action with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder brought by the other Party hereto or its successors or assigns, shall in the case of all Parties, be brought and determined exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware). Each of the Parties irrevocably submits with regard to any such Action for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any Action relating to this Agreement or any of the transactions contemplated hereby in any court other than the aforesaid courts. Each of the Parties irrevocably waives, and agrees not to assert as a defense, counterclaim or otherwise, in any Action with respect to this Agreement, (i) any claim that it is not personally subject to the jurisdiction of the above named courts for any reason other than the failure to serve in accordance with this Section 6.3, (ii) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (iii) to the fullest extent permitted by applicable Law, any claim that (A) the Action in such court is brought in an inconvenient forum, (B) the venue of such Action is improper or (C) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. The Parties consent to and grant any of the aforesaid courts' jurisdiction over the person of such Parties and over the subject matter of such dispute. Each of the Parties irrevocably appoints Corporation Service Company as its agent for the sole purpose of receiving service of process or other legal summons in connection with any such Action brought in such courts and agrees that it will maintain Corporation Service Company at all times as its duly appointed agent in the State of Delaware for the service of any process or summons in connection with any such Action brought in such courts and, if it fails to maintain such an agent during any period, any such process or summons may be served on it by mailing a copy of such process or summons to it in accordance with, and in the manner provided in, Section 6.4 hereof, with such service deemed effective on the fifth (5th) day after the date of such mailing. The Parties agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law.

(b) EACH PARTY (I) ACKNOWLEDGES AND AGREES THAT ANY ACTION THAT MAY ARISE UNDER OR RELATE TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND (II) HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY (A) CERTIFIES AND ACKNOWLEDGES THAT NO REPRESENTATIVE OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) CERTIFIES AND ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION OF THIS AGREEMENT, (C) UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER AND (D) MAKES THIS WAIVER VOLUNTARILY.

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(c) The covenant of each Service Provider to provide the applicable Services is independent of each Service Recipient's covenants under this Agreement and the Master Purchase and Sale Agreement and Commercial Agreements, and each Service Provider, during any dispute or otherwise, shall continue to provide the Services to the applicable Service Recipient so long as such Service Recipient is not in material and ongoing breach of its obligations under Section 4.1 hereof for which breach such Service Recipient, after becoming aware of or receiving notice of such breach, has not promptly commenced and continued commercially reasonable efforts to remedy.

Section 6.4 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given (a) when received, if delivered personally, (b) when transmitted by facsimile (with confirmation of transmission) or by e-mail (upon confirmation of receipt), (c) upon receipt, if sent by registered or certified mail (postage prepaid, return receipt requested) and (d) the day after it is sent, if sent for next-day delivery to a domestic address by overnight mail or courier, to the Parties at the following addresses:

(a) if to BPC or any member of the Biotest Group, to:

Biotest Pharmaceuticals Corporation
c/o Biotest AG
Landsteinerstr. 5
63303 Dreieich Germany
Attention: Dr. Michael Ramroth and Dr. Martin Reinecke
Facsimile:
Email: [***]
[***]

and to:

Biotest Pharmaceuticals Corporation
5800 Park of Commerce
Blvd. NW Boca Raton, FL 33487
Attention: Ileana Carlisle, CEO; and Donna Quinn, General Counsel
Facsimile:
Email: [***]
[***]

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with a copy to (which will not constitute notice):

Greenberg Traurig, LLP
3333 Piedmont Road, NE
Suite 2500
Atlanta, Georgia 30305
Attention: Wayne H. Elowe, Esq.
Facsimile: 678.553.2453
Email: [***]

if to ADMA or any member of the ADMA Group, to:

ADMA Biologics, Inc.
456 Route 17 South
Ramsey, NJ 07446
Attention: Adam Grossman
Facsimile: 201.478.5553
Email: [***]

with a copy to (which will not constitute notice):

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064
Attention: Ariel J. Deckelbaum, Esq.
Facsimile: 212.757.3990
Email: [***]

*provided*, *however*, that if any Party shall have designated a different address by notice to the others, then to the last address so designated.

Section 6.5 Entire Agreement. This Agreement, together with the Service Schedules hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all negotiations, prior discussions and prior agreements, both written and oral, made prior to the date hereof.

Section 6.6 Waivers and Amendments. This Agreement may not be amended, supplemented or otherwise modified except by an instrument in writing signed by BPC and ADMA. Waiver of any term or condition of this Agreement (including any of the Service Schedules) by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach or failure of the same term or condition or a waiver of any other term or condition of this Agreement. Neither course of conduct nor the failure or delay of any Party to exercise or enforce any right, remedy, condition or part of this Agreement at any time shall be construed as a waiver of that right, remedy, condition or part, nor shall it forfeit any rights to future exercise or enforcement thereof.

Section 6.7 Governing Law. This Agreement (including any Action or controversy arising out of or relating to this Agreement) shall be governed by the Law of the State of Delaware without regard to conflict of law principles that would result in the application of any Law other than the Laws of the State of Delaware.

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Section 6.8 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement is not assignable by either Party without the prior written consent of the other Party; *provided*, that BPC, on the one hand, or ADMA, on the other hand, as the case may be, may assign any of its rights under this Agreement to any of its respective Affiliates (it being understood that no such assignment shall effect a novation or otherwise relieve the assigning Party of any of its obligations hereunder nor in any way increase the obligations of the non-assigning Party under this Agreement); *provided*, *further*, that either Party may assign its rights and obligations under this Agreement upon 30 days' prior written notice to the non-assigning Party in connection with a sale of all or substantially all of its business, whether by sale of assets, merger or otherwise; *provided* that the acquiring party agrees in writing with the non-assigning Party to fulfill all of the remaining obligations of the assigning Party.

Section 6.9 Monetary Amounts. Unless otherwise expressly provided, monetary amounts are in U.S. dollars.

Section 6.10 Articles and Sections. The headings of the Articles, Sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part of or to in any way affect the meaning or interpretation of this Agreement.

Section 6.11 Interpretation. The language in all parts of this Agreement shall be construed, in all cases, according to its fair meaning. The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement.

Section 6.12 Severability of Provisions. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy such determination shall not affect the enforceability of any other term, provision, covenant or restriction of this Agreement or of the remainder of this Agreement which shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any Party. Upon such determination that any term, provision, covenant or restriction of this Agreement is invalid, void, unenforceable or against regulatory policy, ADMA and BPC shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible.

Section 6.13 Counterparts. This Agreement may be executed by the Parties manually, by facsimile or by-email as a pdf attachment, in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement, any and all agreements and instruments executed and delivered in accordance herewith, along with any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or other means of electronic transmission, shall be treated in all manner and respects and for all purposes as an original signature, agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

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Section 6.14 No Personal Liability. This Agreement (and each agreement, certificate and instrument delivered pursuant hereto) shall not create or be deemed to create or permit any personal liability or obligation on the part of any officer, director, employee, agent, representative or investor of either Party.

Section 6.15 No Third Party Beneficiaries. Except as otherwise provided in Article V, this Agreement is solely for the benefit of the Parties hereto and their respective Affiliates and permitted assignees, and no provision of this Agreement shall be deemed to confer upon any Person, other than the Parties, and their respective Affiliates and permitted assignees any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

Section 6.16 Force Majeure. Neither Party shall be liable for any expense, loss or damage whatsoever arising out of any delay or failure in the performance of its obligations pursuant to this Agreement to the extent such delay or failure results from events beyond the reasonable control of that Party ("Force Majeure"), including acts of God, acts or regulations of any Governmental Authority, war, riots, insurrection, terrorism or other hostilities, accident, fire, flood, strikes, lockouts, labor disputes, pandemics or shortages of fuel; *provided*, *that*: (a) each Service Provider gives the applicable Service Recipient, as soon as reasonably practicable, written notice describing the occurrence, including, to the extent reasonably possible, a non-binding estimation of its expected duration and probable impact on the performance of its obligations hereunder, (b) the suspension of performance is of a scope and duration reasonably related to the Force Majeure and (c) each Service Provider uses commercially reasonable efforts to mitigate the effects of the Force Majeure. Neither Party shall be entitled to terminate this Agreement due to a Force Majeure or any delay or failure to perform by the Party experiencing such Force Majeure.

Section 6.17 Independent Contractors. Except as otherwise agreed in writing by the Parties, in the performance of the Services to be rendered hereunder, each Service Provider and its Affiliates shall at all times act as independent contractors, and none is in any respect an agent, attorney, employee, representative, joint venturer or fiduciary of a Service Recipient, and no Service Recipient shall declare or represent to any third party that such Service Provider or any of its Affiliates is acting in any respect as agent, attorney, employee, representative, joint venturer or fiduciary of such Service Recipient. Neither ADMA or its Affiliates, on the one hand, nor BPC or its Affiliates, on the other hand, shall have any power or authority to negotiate or conclude any agreement, or to make any representation or to give any understanding on behalf of the other in any way whatsoever.

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Section 6.18 Injunctive Relief. In the event of a breach or threatened breach of any provision of this Agreement relating to confidentiality, data security privacy or related issues, the non-breaching Party will have no adequate remedy at law and the damages to be suffered by such Party will not be fully compensable in money damages alone. In such event, the non-breaching Party shall, in addition to any other rights under this Agreement or under applicable law, be entitled to seek an injunction or other equitable relief against such breach or threatened breach without any requirement to post bond as a condition of such relief.

Section 6.19 Employees. Individuals employed by a Service Provider or its Affiliates who provide Services pursuant to this Agreement shall in no respect be considered employees of the applicable Service Recipient. Each Service Provider or one of its Affiliates shall act as the sole employer of the individuals it employs and shall not delegate any employment functions to the Service Recipient.

Section 6.20 No Set-Off. Each Party's obligation to pay fees or make any other required payments under this Agreement shall not be subject to any right of offset, set-off, deduction or counterclaim, however arising, including pursuant to any claims under the Master Purchase and Sale Agreement or any of the Commercial Agreements.

Section 6.21 Further Assurances. Each Party shall execute and deliver such additional instruments and other documents and use all commercially reasonable efforts to take or cause to be taken, all actions and to do, or cause to be done, all things necessary under applicable Law to consummate the transactions contemplated hereby.

Section 6.22 Master Purchase and Sale Agreement; Commercial Agreements. Except as specifically agreed herein, nothing in this Agreement is intended, or shall be construed, to amend, modify, limit, augment or decrease in any respect, or constitute a waiver of, any of the rights, remedies or obligations of the Parties under the Master Purchase and Sale Agreement or Commercial Agreements.

[*Remainder of page intentionally left blank*]

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**IN WITNESS WHEREOF**, the Parties have executed this Transition Services Agreement as of the date first above written.

**ADMA BIOMAUFACTURING, LLC**

By: /s/ Adam Grossman
Name: Adam Grossman
Title: Chief Executive Officer

*[Signature page to Transition Services Agreement]*

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**IN WITNESS WHEREOF**, the Parties have executed this Transition Services Agreement as of the date first above written.

**BIOTEST PHARMACEUTICALS CORPORATION**

By: /s/ Ileana Carlisle
Name: Ileana Carlisle
Title: Chief Executive Officer

*[Signature page to Transition Services Agreement]*

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**EXECUTED**

**PLASMA SUPPLY AGREEMENT**

**(HEPATITIS B PLASMA - BPC TO ADMA)**

**THIS PLASMA SUPPLY AGREEMENT** (this "**Agreement**") between **Biotest Pharmaceuticals Corporation**, a Delaware corporation, having a place of business at 5800 Park of Commerce Boulevard, NW, Boca Raton, Florida 33487 ("**BPC**") and **ADMA BioManufacturing, LLC**, a Delaware limited liability company, having a place of business at 5800 Park of Commerce Boulevard NW, Boca Raton, Florida 33487 ("**ADMA**"), shall be effective as of June 6, 2017 (the "**Effective Date**"). BPC and ADMA are each sometimes referred to herein individually as a "**Party**" or collectively as the "**Parties**".

**RECITALS**

**WHEREAS**, BPC desires to sell, and ADMA desires to purchase, certain quantities of hyperimmune plasma that contain antibodies to the hepatitis B virus ("**HEPATITIS B PLASMA** ") to be used by ADMA in the manufacturing of "Nabi-HB® Hepatitis B Immune Globulin (Human)" (the "**Product**"), solely on the terms and conditions set forth in this Agreement.

**WHEREAS**, the Parties will discuss and negotiate in good faith the terms and conditions for the supply by BPC to ADMA of other specialty hyperimmune plasma in volumes and pricing to be agreed upon by the Parties.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, the Parties hereto agree as follows:

**A. PURCHASE AND SALE OF HEPATITIS B PLASMA**.

**1. TERM OF AGREEMENT**. Unless terminated earlier as provided herein, the term of this Agreement shall commence on the Effective Date and shall expire ten (10) years thereafter (the "Term").

**2. PRICE AND VOLUMES**.

a. From and after the Effective Date, ADMA agrees to purchase, and BPC agrees to sell, HEPATITIS B PLASMA, in quantities and prices set forth in this Agreement. ADMA shall, at least ninety (90) days prior to the beginning of each calendar year, deliver to BPC a good faith forecast of ADMA's order for the ensuing year and an estimated shipment timetable for the aggregate volume of HEPATITIS B PLASMA to be purchased from BPC by ADMA for the ensuing year and an estimated shipment timetable for such HEPATITIS B PLASMA. Unless otherwise agreed to in writing by the Parties, during the calendar year to which such forecast relates, ADMA shall purchase from BPC and BPC shall sell to ADMA an aggregate volume of HEPATITIS B PLASMA equal to at least [***] of the aggregate volume set forth in such forecast. At the beginning of each calendar quarter, ADMA shall give BPC a firm purchase commitment which sets forth the aggregate volume of HEPATITIS B PLASMA to be purchased from BPC by ADMA for such calendar quarter and, during such calendar quarter, ADMA shall purchase from BPC and BPC shall sell to ADMA an aggregate amount of HEPATITIS B PLASMA equal to the aggregate volume of HEPATITIS B PLASMA set forth in such firm purchase commitment. If greater quantities than the applicable forecast or applicable firm purchase commitment are required, BPC shall use commercially reasonable efforts to supply the difference subject to the terms below.

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* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

b. Notwithstanding the foregoing, during the Term, ADMA agrees to purchase its requirements for HEPATITIS B PLASMA needed for the production of the Product exclusively from BPC unless (i) ADMA's production of the Product requires in excess of [***] of HEPATITIS B PLASMA annually (with the first annual period commencing on the Effective Date and each one-year period thereafter commencing on the applicable anniversary of the Effective Date) or (ii) BPC is unable or elects not to supply all of ADMA's requirements for HEPATITIS B PLASMA needed for the production of the Product, then ADMA shall have the right to purchase from third parties such excess quantities, or for the avoidance of doubt, supply such excess quantities itself from any ADMA owned plasma center.

c. In 2017 and 2018, ADMA will pay to BPC $[***] of HEPATITIS B PLASMA. Beginning on January 1, 2019, the price will be equal to $[***] plus the change in the Consumer Price Index for All Urban Consumers published by the United States Department of Labor, Bureau of Labor Statistics for the prior January 1st – December 31st period ("**CPI-U**"). For each calendar year thereafter, the price per liter shall be the price per liter on December 31st of the prior calendar year, plus CPI-U.

d. In the event compliance with one or more new government regulations or quality procedures (any of the foregoing being a "**Required Change**") is required, but is not contemplated in this Agreement, and results in a material increase to BPC's actual costs to procure, store, provide and supply HEPATITIS B PLASMA, both Parties shall renegotiate the change in the purchase price of HEPATITIS B PLASMA in good faith within [***] days of the Required Change, which shall be retroactive to the effective date of the Required Change.

e. The price of all purchases of HEPATITIS B PLASMA under this Agreement includes all required screening tests, and NAT for HIV, HBV, HCV, HAV and Parvo B-19. Any additional required testing as specified by the U.S. Food and Drug Administration (the "**FDA**") (or foreign equivalent) or due to a change in the ADMA Specifications (as defined below), will be billed to ADMA at BPC's actual costs.

**3 . PAYMENT TERMS**. All HEPATITIS B PLASMA purchased and delivered after January 1, 2019 shall be paid within [***] days from the date of the invoice. Any late payment made by ADMA shall accrue interest to be paid at the rate of [***], subject to the maximum allowed by law. Invoice to be issued upon shipping from BPC's designated freezer warehouse. All payments due hereunder to BPC shall be sent to BPC at the times set forth herein by wire transfer to such accounts as BPC may designate to ADMA.

Notwithstanding the foregoing, during years 2017 and 2018, the Parties have agree that [***].

Invoices to ADMA, shall be directed to:
ADMA BioManufacturing, LLC
c/o ADMA Biologics, Inc.
465 Route 17 South
Ramsey, NJ 07446
Attn: Accounts Payable
[***]

* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Inquiries and correspondence regarding payment should be directed to:
ADMA BioManufacturing, LLC
c/o ADMA Biologics, Inc.
465 Route 17 South
Ramsey, NJ 07446
Attn: Accounts Payable
[***]

Wire transfer instructions will be provided to ADMA by BPC under separate notice.

**4. INSPECTION AND ACCEPTANCE**.

a. ADMA shall inspect each shipment of HEPATITIS B PLASMA for conformity with ADMA's specifications, in accordance with the Product's manufacturing requirements as of the Effective Date of this Agreement which are set forth on Exhibit A (which may be amended from time to time in accordance with Section L), within thirty (30) days of the arrival of such HEPATITIS B PLASMA at ADMA's designated warehouse. ADMA shall promptly notify BPC in writing of its determination of any non-conformity of such HEPATITIS B PLASMA with the ADMA Specifications, in which case, the Parties shall mutually determine, within five (5) days of such written notification, whether such HEPATITIS B PLASMA meets the ADMA Specifications. If it is determined that such HEPATITIS B PLASMA does not meet the ADMA Specifications, BPC shall replace any non-conforming HEPATITIS B PLASMA as promptly as possible, taking into account the time required to produce such quantities of HEPATITIS B PLASMA. In the event the Parties fail to agree whether or not any given shipment of HEPATITIS B PLASMA conforms with the ADMA Specifications, then the dispute will be promptly referred to an independent expert agreed in good faith by the Parties, whose decision shall be final and binding on the Parties. The fees and expenses of such independent expert shall be borne by the Party determined to have been in error as to the conformity, or lack thereof, of the HEPATITIS B PLASMA to the ADMA Specifications.

b. For each shipment of HEPATITIS B PLASMA delivered to ADMA, BPC shall provide to ADMA a quality certificate and other industry standard documents required by regulatory authorities relating to such HEPATITIS B PLASMA.

**5. SHIPMENT TERMS**. All shipments will be made FOB BPC's designated freezer warehouse. BPC will invoice ADMA for the HEPATITIS B PLASMA at the time of shipment. ADMA shall take ownership and bear all risk of loss upon pick up by ADMA's designated carrier and ADMA shall at its own expense be responsible for freight charges, insurance, handling and forwarding agent's fees, taxes, storage and all other charges applicable to the HEPATITIS B PLASMA.

**B. QUALITY AND QUANTITY OF HEPATITIS B PLASMA.**

**1.** BPC and ADMA shall agree in writing upon specifications for HEPATITIS B PLASMA (" **ADMA Specifications**"). All HEPATITIS B PLASMA sold under this Agreement by BPC to ADMA shall meet the ADMA Specifications.

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**2.** BPC shall have no obligation to provide HEPATITIS B PLASMA to ADMA in the event the failure to provide the agreed upon quantity is due to a Force Majeure Event pursuant to Section G; provided, that in the event of a Force Majeure Event in excess of ninety (90) days, it is hereby acknowledged and agreed that ADMA shall be released from its binding purchase commitment under this Agreement and in such event ADMA shall be free to collect such plasma itself or from other third-party providers without breaching any of the other terms or conditions of this Agreement.

**3.** ADMA, in compliance with 21 CFR §640.69(f), agrees to hold all HEPATITIS B PLASMA units for a minimum of sixty (60) calendar days from collection date prior to release for further manufacturing. ADMA further agrees that if, after placing the HEPATITIS B PLASMA units on hold under this section, ADMA is informed by BPC (through the established lookback process) that a donor has been subsequently deferred pursuant to 21 CFR §640.41 or subsequently determined to be ineligible under 21 CFR §630.10 due to risk factors closely associated with exposure to, or clinical evidence of, infection due to a relevant transfusion-transmitted infection, all donations on hold from that donor will not be used in the further manufacturing of injectable products.

**4.** ADMA shall bear the expense of unusable HEPATITIS B PLASMA due to a recall or look-back or the destruction of any HEPATITIS B PLASMA due to post-donation lookback issues in accordance with FDA regulations and guidance, in each case, if such HEPATITIS B PLASMA has become unusable or destroyed after delivery to ADMA.

**5.** ADMA shall have the right to conduct periodic inspections of BPC's centers and facilities dealing with the HEPATITIS B PLASMA at times mutually agreeable to the Parties, with no more than [***] auditors. Such inspections shall be limited to matters directly related to this Agreement and shall be conducted in conformance with generally accepted industry practices. ADMA will provide BPC with not less than [***] days' notice prior to any of its inspections, unless mutually agreed otherwise by the Parties. Upon receipt of ADMA's audit report, BPC shall have [***] days to send a response to the appropriate ADMA representative, outlining the corrective actions that BPC will take at its expense to correct the audit deficiencies. Further, BPC agrees to provide ADMA with copies of all written reports (including FDA 483's) and correspondence between BPC and any governmental agency regarding any such inspection or review of records within [***] days of (i) receipt of any such report or correspondence from the governmental agency or (ii) the issuance or delivery of any response or correspondence by BPC; provided, however, that in the event the report or correspondence relates to a serious problem that could affect the continuous supply or quality of the HEPATITIS B PLASMA, then BPC agrees to use all reasonable efforts to notify ADMA within [***] days of receipt of such report or correspondence and to provide ADMA with a copy of such report or correspondence.

**C. LIMITED WARRANTY**. BPC represents and warrants to ADMA that the HEPATITIS B PLASMA has been collected and produced in accordance with BPC's approved SOP's and the ADMA Specifications. BPC represents, warrants and agrees that any and all HEPATITIS B PLASMA shall be collected, produced and delivered in accordance with all local, state and national laws, regulations and requirements. ADMA shall have all rights and remedies available to it under this Agreement and shall not be obligated to buy or pay for any HEPATITIS B PLASMA which does not, in all respects, comply with the ADMA Specifications and applicable law, rules and regulations and as otherwise required by this Agreement; provided, that ADMA must notify BPC of any rejection of HEPATITIS B PLASMA delivered to ADMA hereunder within [***] days of receipt of such HEPATITIS B PLASMA. This warranty shall not apply to any expired HEPATITIS B PLASMA.

**D . PURCHASE AND SALE OF OTHER SPECIALTY HYPERIMMUNE PLASMA** . The Parties will discuss and negotiate in good faith the terms and conditions for the supply by BPC to ADMA of other specialty hyperimmune plasma, including varicella zoster, CMV, ravies, tetanus, Anti-D and any other future hyperimmune plasma which may be collected either by naturally occurring antibody or donor stimulation with vaccination or similar activity, in each case, in the volumes and at the prices to be agreed upon by the Parties.

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**E. MISCELLANEOUS.**

**1. CONFIDENTIALITY**.

a. The Parties agree to maintain the confidentiality of the contents of this Agreement and the dealings between the Parties with the same degree of care as they use to protect their own proprietary, confidential or trade secret information (provided, that in no event shall either Party use less than a reasonable degree of care). Subject to the last sentence of this Section (E)(1)(a), neither Party shall disclose to any third party any confidential information received from the other hereunder without such other Party's prior written consent and shall use such confidential information only for the purpose of this Agreement. The Parties agree to hold the name and location of any and all testing labs and facilities as well as names of key personnel at the testing labs as confidential information hereunder. Said obligation of secrecy shall not apply to any information which (i) was in the public domain at the time of its disclosure or thereafter becomes part of the public domain by publication or otherwise subsequent to the time of disclosure under this Agreement through no fault of the receiving party; (ii) was known to the receiving party or in its possession prior to or at the time of disclosure by the disclosing party as shown by written records and was not disclosed to the receiving party subject to or in violation of a confidentiality obligation; (iii) is independently developed by the receiving party without use of the other Party's confidential information as shown by written documentation; (iv) is disclosed with the written approval of the disclosing party; (v) is rightfully furnished to the receiving party by a third party having the authority to disclose such confidential information without restrictions; (vi) is disclosed by law or regulation or in response to a valid order of a court or other governmental body of competent jurisdiction, or is required for registration of a product by competent authorities, but only to the extent legally required on the advice of outside legal counsel and for the purpose of such law, regulation, order or registration, and only if the receiving party first notifies the disclosing party of the required disclosure and permits the disclosing party, at its sole expense, to seek an appropriate legal remedy to maintain the information in secret; or (vii) is included in any filings made with the U.S. Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (which, for the avoidance of doubt, shall include filing a copy of this Agreement with the U.S. Securities and Exchange Commission).

b. The above obligations shall survive the termination of this Agreement and shall continue with respect to donor information without limit of time and in respect of other confidential information for a period of [***] years.

**2. RELATIONSHIP OF THE PARTIES** . The relationship between ADMA and BPC during the term of this Agreement, including extensions and renewals, is strictly that of buyer and seller. Neither Party is, in any way, the legal representative, agent, joint venture nor partner of the other Party for any purpose whatsoever. Neither Party has any control or authority whatsoever to bind the other Party or any other person with respect to the other Party.

**3. INDEMNIFICATION**. BPC and ADMA hereby indemnify and agree to hold harmless each other and their respective affiliates, agents, employees, officers and directors, from and against any and all third party claims, losses, liabilities, damages, reasonable and documented out-of-pocket attorneys' fees, costs and expenses (hereinafter "**Claims**") which may be sustained by and/or claimed against the other Party by virtue of their negligent acts, negligent omissions or the negligent handling or furnishing of materials or performance of services rendered by the other Party, the willful misconduct by the other Party or its affiliates, officers, directors, employees or agents or any representation, warranty or agreement contained in this Agreement being breached, untrue or materially misleading, by omission or otherwise. Said indemnification will be capped at the dollar value of HEPATITIS B PLASMA purchased in the year in which the relevant Claim arises. The indemnifying Party's liability shall be reduced to the extent any such Claims arise as a result of the indemnified Party's own willful misconduct or negligence.

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**4.** **LIMITATION OF LIABILITY** . IN NO EVENT WILL EITHER PARTY HAVE ANY LIABILITY FOR ANY LOSS OF INCOME, PROFIT, INTEREST OR SAVINGS BY THE OTHER PARTY OR FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES SUFFERED BY THE OTHER PARTY, ARISING FROM OR RELATED TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THE SALE OR USE OF ANY HEPATITIS B PLASMA, REGARDLESS OF THE FORM OF ACTION, AND WHETHER IN CONTRACT, INDEMNITY, WARRANTY OR TORT INCLUDING WITHOUT LIMITATION STRICT LIABILITY AND NEGLIGENCE OR ANY OTHER LEGAL OR EQUITABLE GROUNDS, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES. THIS LIMITATION WILL NOT APPLY TO ANY LIABILITY FOR DAMAGES THAT MAY RESULT FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF A PARTY OR AS OTHERWISE SET FORTH IN SECTION J BELOW.

The Party from whom indemnity is sought under Section (E)(3) shall be entitled at its option to defend or control the defense and/or settlement of any such claim if and only if the amount of losses in respect of such claim would not reasonably be expected to exceed the amount then available for indemnification pursuant to Section (E)(3); provided, that the indemnifying Party shall not settle any such claim unless the indemnifying Party would be obligated to pay the full amount of the losses in connection with such claim and such settlement completely and unconditionally releases the indemnified Party from all losses in connection with such claim, does not entail any admission of liability on the part of the indemnified Party and would not otherwise adversely affect the indemnified Party.

Each Party shall notify the other of any claim or potential claim or liability as soon as it becomes aware that such claim, potential claim or liability has arisen (provided, that failure by such indemnified Party to give such notification shall not relieve the indemnifying Party of its obligations hereunder, except to the extent the indemnifying Party (i) demonstrates that it has been actually and materially prejudiced as a result of such failure or (ii) forfeits any rights or defenses that would otherwise have been available to the indemnifying Party but for such failure) and shall provide to the other all reasonable assistance in respect thereof.

**5.** **INSURANCE**. ADMA and BPC shall each be required to maintain general and product liability insurance in an amount of [***]. Before commencing any work hereunder, the Parties shall furnish certificates evidencing the insurance required by this Section (E)(5). The Parties shall give each other thirty (30) days advance written notice in the event the insurance required by this Section (E)(5) is materially modified or cancelled or otherwise terminated for any reason.

**F.** **TERMINATION.**

**1.** In addition to any other remedy it may have, either Party shall have the right to immediately terminate this Agreement by written notice to the other Party if the other Party fails to remedy and make good any material default in the performance of any material condition or obligation under this Agreement within sixty (60) days of written notice of such material default.

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**2.** Upon giving the appropriate written notice, either Party may terminate this Agreement upon the occurrence of any of the following events: (a) a proceeding under any bankruptcy, reorganization, arrangement of debts, insolvency or receivership law is filed by or against the other Party, and is not dismissed or stayed within sixty (60) days, (b) a receiver or trustee is appointed for all or a substantial portion of the assets of the other Party, or (c) the other Party makes an assignment for the benefit of its creditors or becomes insolvent.

**3.** Upon termination of this Agreement, ADMA must pay for any HEPATITIS B PLASMA already delivered to ADMA.

**4.** Notwithstanding anything to the contrary set forth herein, the Parties' obligations under this Agreement in Sections B, C, D, E, F, G, H, I, J, K, L and M shall survive the termination of this *Agreement to the extent necessary to give effect to their reasonable intentions.*

**G. FORCE MAJEURE.**

**1.** Neither Party shall be liable for non-performance caused by strikes, fires, explosions, Acts of God, riots, civil or international war, acts of terrorism, an unexpected downturn in the acceptable donor population adversely affecting the industry as a whole, including an inability to obtain HEPATITIS B PLASMA because of one of the aforementioned events at the producing location, or any other similar or dissimilar cause beyond the reasonable control of either Party which renders the performance of a Party's obligations so difficult or costly as to make such performance commercially unreasonable (each, a "**Force Majeure Event**"). The affected Party shall immediately inform the other Party of the occurrence and termination of such Force Majeure Event.

**2.** Upon giving notice to the other Party, a Party affected by a Force Majeure Event shall be released without any liability on its part from the performance of its obligations under this Agreement, except for the obligation to pay any amounts due and owing hereunder, but only to the extent and only for the period that its performance of such obligations is prevented by the Force Majeure Event. Such notice shall include a description of the nature of the Force Majeure Event, and its cause and possible consequences. The Party claiming a Force Majeure Event shall promptly notify the other Party of the termination of such event.

**3.** Should the Force Majeure Event continue for more than ninety (90) days, then the Party not suffering the Force Majeure Event may terminate this Agreement upon giving written notice to the other Party.

**H. REMEDIES EXCLUSIVE.**

The rights and remedies available to ADMA and BPC under this Agreement among the Parties are exclusive, subject to terms of Section I below with respect to permitted assignees.

**I. ASSIGNMENT.**

Neither Party shall assign this Agreement or any of its rights or obligations hereunder without the express written consent of the other Party, except as hereinafter provided. Any such consent shall not be unreasonably withheld or delayed. With notice to the other Party, either Party may, without the other Party's consent, assign this Agreement to (i) its affiliate; provided such Party remains liable for all of its obligations hereunder, or (ii) a successor to all or substantially all of the assets relating to the business of that Party which is involved in the fulfillment of its obligations under this Agreement, provided, that such successor shall expressly assume in writing the performance of all of the terms and conditions of this Agreement then to be performed by such successor, as if it were named herein as a Party.

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**J. CHANGE OF CONTROL.**

If, after a Change of Control, BPC (or its successor-in-interest) fails to deliver HEPATITIS B PLASMA in accordance with the terms of this Agreement, upon notice from ADMA of its election to exercise its rights under this Section J, BPC or its successor-in-interest shall promptly pay to ADMA an amount equal to the product of (i) the difference between (A) the aggregate purchase price of the HEPATITIS B PLASMA that was scheduled to be supplied by BPC or its successor-in-interest to ADMA in accordance with the terms of this Agreement during the four (4) calendar quarters prior to ADMA's election to enforce its rights under this Section J and (B) the aggregate purchase price of the HEPATITIS B PLASMA that was actually supplied by BPC or its successor-in-interest to ADMA in accordance with the terms of this Agreement during such four (4) calendar quarters, multipled by (ii) two. If ADMA elects to enforce its rights under this Section J, the Parties expressly acknowledge and agree that the foregoing payment constitutes liquidated damages; provided, however, that the exercise of ADMA's rights under this Section J shall not relieve BPC or its successor-in-interest of its obligations under this Agreement. For purposes of this Section J, "**Change of Control**" means any (a) direct or indirect acquisition (whether by a purchase, sale, transfer, exchange or issuance) of shares of capital stock or other securities, in a single transaction or series of related transactions, representing more than fifty percent (50%) of the voting power of Biotest AG, Biotest US Corporation or BPC (in each case, including by means of a spin- off, split-off or public offering), (b) merger, consolidation or other business combination directly or indirectly involving Biotest AG, Biotest US Corporation or BPC representing more than (50%) of the assets of Biotest AG, Biotest US Corporation or BPC, (c) reorganization, recapitalization, liquidation or dissolution directly or indirectly involving Biotest AG, Biotest US Corporation or BPC, (d) direct or indirect sale, lease, exchange, mortgage, transfer or other disposition, in a single transaction or series of related transactions, of more than fifty percent (50%) of the assets of Biotest AG, Biotest US Corporation or BPC, or (e) other transaction having a similar effect to those described in clauses (a) through (d).

**K. NOTICES.**

All notices, demands, requests, consents or approvals required under this Agreement must be in writing and delivered personally to the Party or sent by overnight courier service , addressed to such Party as set forth below (or to such other address as such Party may hereafter specify for the purpose by notice to the other Party hereto):

To BPC:
Ileana Carlisle
Chief Executive Officer
Biotest Pharmaceuticals Corporation
5800 Park of Commerce Blvd. NW
Boca Raton, FL 33487

With a copy to:
Legal Department
Biotest Pharmaceuticals Corporation 5800 Park of Commerce Blvd.
NW Boca Raton, FL 33487

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To ADMA: ADMA BioManufacturing, LLC
c/o ADMA Biologics, Inc.
465 Route 17 South
Ramsey, NJ 07446
Attn: Chief Executive Officer

All notices, requests, consents and other communications hereunder shall be deemed to have been properly given (a) if by hand, at the time of the delivery thereof to the receiving party at the address of such Party set forth above, (b) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service or (c) if sent by registered or certified mail, on the fifth business day following the day such mailing is made.

**L. INTEGRATION; EFFECT OF AMENDMENT.**

This Agreement, including all attachments, schedules or other agreements specifically incorporated by reference, constitute the entire agreement among the Parties with respect to the subject matter of this Agreement and supersede any and all other prior written or oral agreements, understandings, negotiations or discussions among the Parties with respect to the subject matter of this Agreement. This Agreement may not be modified or amended in any respect except by an instrument in writing signed by both of the Parties.

**M. CHOICE OF LAW.**

**1.** This Agreement shall be governed by, and construed under, laws of the State of Delaware, without regard to its conflict of laws principles.

**2.** Each of the Parties agrees that, notwithstanding anything herein, any claim, demand, action, cause of action, suit, countersuit, litigation or proceeding by or before any governmental authority arising out of or in connection with this Agreement (any "**Action**"), or for recognition and enforcement of any judgment arising out of or in connection with this Agreement, shall be tried and determined exclusively in the state or federal courts in the State of Delaware, and each of the Parties hereby irrevocably submits with regard to any such Action for itself and in respect to its property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid courts. Each of the Parties hereby expressly waives any right it may have to assert, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any such Action (i) any claim that it is not subject to personal jurisdiction in the aforesaid courts for any reason; (ii) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts; and (iii) any claim that (A) any of the aforesaid courts is an inconvenient or inappropriate forum for such Action, (B) venue is not proper in any of the aforesaid courts and (C) this Agreement or the subject matter hereof may not be enforced in or by any of the aforesaid courts. Each of the Parties agrees that mailing of process or other papers in connection with any such Action in the manner provided in Section K or any other manner as may be permitted by law shall be valid and sufficient service thereof.

**3.** EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE WAIVER IN THIS SECTION (M)(3), (II) SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (III) SUCH PARTY MAKES SUCH WAIVER VOLUNTARILY AND (IV) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS, AGREEMENTS AND CERTIFICATIONS HEREIN.

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**N. REPRESENTATIONS AND WARRANTIES** . Each party hereto hereby represents and warrants to the other as follows: (i) each party hereto has all requisite power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) the execution and delivery of this Agreement and the consummation by such party of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such party, (iii) this Agreement has been duly and validly executed and delivered by such party and constitutes the valid and binding obligation of such party, enforceable against such party in accordance with its terms and (iv) the execution and delivery of this Agreement and the consummation by such party of the transactions contemplated hereby does not and will not (a) require the consent of or registration with, any court, federal, state, local or foreign governmental or regulatory body, or (b) constitute a default (with or without notice or lapse of time, or both) under or conflict with any contract, agreement or order to which such party is a party or by which such party or any of its properties or assets is subject or bound.

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**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement by their duty authorized officers as of the day and year written above.

**ADMA BioManufacturing, LLC**

By: /s/ Adam Grossman
Name: Adam Grossman
Title: Chieft Executive Officer
Date: June 6, 2017

*[Signature page to Hepatitis B Plasma Supply Agreement]*

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* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement by their duty authorized officers as of the day and year written above.

**Biotest Pharmaceuticals Corporation**

By: /s/ Ileana Carlisle
Name: Ileana Carlisle
Title: Chief Executive Officer
Date: June 6, 2017

*[Signature page to Hepatitis B Plasma Supply Agreement]*

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* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

**PLASMA PURCHASE AGREEMENT**

**NORMAL SOURCE PLASMA PURCHASE FROM BPC TO ADMA**

**THIS PLASMA PURCHASE AGREEMENT** ("**Agreement**") between **Biotest Pharmaceuticals Corporation**, a Delaware corporation, having a place of business at 5800 Park of Commerce Boulevard, NW, Boca Raton, Florida 33487 ("**BPC**") and **ADMA BioManufacturing, LLC.,** a Delaware limited liability corporation, having a place of business at 465 Route 17 South, Ramsey New Jersey 07446 ("**ADMA**") shall be effective as of June 6, 2017 (the "**Effective Date**"). BPC and ADMA are each sometimes referred to herein individually as a "**Party**" or collectively as the "**Parties**".

**RECITALS**

**WHEREAS**, BPC desires to sell, and ADMA desires to purchase certain quantities of Normal Source Plasma (" **Plasma**" or "**NSP**") to be used by ADMA, solely on the terms and conditions set forth in this Agreement.

**PROVISIONS**

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, ADMA and BPC agree as follows:

**A. PURCHASE AND SALE OF NSP**.

1. **TERM OF AGREEMENT.** Unless terminated earlier as provided herein, the term of the Agreement shall become effective on the Effective Date and shall remain in effect for a period of five (5) years from the Effective Date (the "Initial Term"). After the Initial Term, this Agreement may be renewed for additional two terms of two years each upon the mutual written consent of the Parties. Each Party agrees that it will endeavor, in good faith, to conclude any negotiations relating to such renewals no less than one (1) year before the expiration of this Agreement.

**2. PRICE AND VOLUMES**

a. During the Initial Term, ADMA agrees to purchase, and BPC agrees to sell, Plasma in the following annual quantities and prices, unless mutually agreed to otherwise in writing between the Parties:

| YEAR | Quantity | Price/Liter |
|---|---|---|
| 2017 | [***] | [***] |
| 2018 | [***] | [***] |

* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

| | | |
|---|---|---|
| | | [***] |
| 2019 | [***] | [***] |
| 2020 | [***] | [***] |
| 2021 | [***] | [***] |

b. Price increases shall become effective on January 1st of the applicable year.

i. The price of all purchases of NSP under this Agreement includes all required screening tests and NAT for HIV, HBV, HCV, HAV, and Parvo B-19. Any additional required testing as specified by the U.S. Food and Drug Administration (the "**FDA**") (or foreign equivalent) or due to a change in the ADMA Specifications (as defined below), will be billed to ADMA at BPC's actual costs.

ii. In the event compliance with one or more new government regulations or quality procedures or change in the specifications requested by ADMA (any of the foregoing being a "**Required Change**") is required, but is not contemplated in this Agreement, and results in a material increase to BPC' actual costs to procure, store, provide and supply NSP, both Parties shall re- negotiate the change in the purchase price of NSP in good faith within ninety (90) days of the Required Change, which shall be retroactive to the effective date of the Required Change.

3. **PAYMENT TERMS**. All NSP shall be paid within [***] days from the date of the invoice. Any late payment made by ADMA shall accrue interest to be paid at the rate of [***], subject to the maximum allowed by law. Invoice to be issued upon shipping from the BPC plasma center. All payments due hereunder to BPC shall be sent to BPC at the times set forth herein by wire transfer to such accounts as BPC may designate to ADMA.

Invoices to ADMA, shall be directed to:
ADMA BioManufacturing, LLC
c/o ADMA Biologics, Inc.
465 Route 17 South
Ramsey, NJ 07446
Attn: Accounts Payable
[***]

_____

* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Inquiries and correspondence regarding payment should be directed to:
ADMA BioManufacturing, LLC
c/o ADMA Biologics, Inc.
465 Route 17 South
Ramsey, NJ 07446
Attn: Accounts Payable
[***]

Wire transfer instructions will be provided to ADMA by BPC under separate notice.

4. **SHIPMENT TERMS**. All shipments shall be made FOB BPC plasma center or BPC designated freezer warehouse. BPC will invoice ADMA for the NSP at time of shipment. ADMA shall take ownership and bear all risk of loss upon pick up by ADMA's designated carrier from the BPC plasma center or BPC designated warehouse and ADMA shall at its own expense be responsible for freight charges, insurance, handling and forwarding agent's fees, taxes, storage and all other charges applicable to the NSP.

**B. QUALITY OF NSP**.

1. BPC and ADMA shall agree in writing upon specifications for NSP ("ADMA Specifications"). All NSP sold under this Agreement by BPC to ADMA shall meet the ADMA Specifications.

2 BPC shall have no obligation to provide NSP to ADMA in the event the failure to provide the agreed upon quantity is due to a Force Majeure Event pursuant to Section G.

3. ADMA, in compliance with 21 CFR §640.69(f), agrees to hold all NSP units for a minimum of sixty (60) calendar days from collection date prior to release for further manufacturing. ADMA further agrees that if, after placing the NSP units on hold under this section, ADMA is informed by BPC (through the established lookback process) that a donor has been subsequently deferred pursuant to 21 CFR §640.41 or subsequently determined to be ineligible under 21 CFR §630.10 due to risk factors closely associated with exposure to, or clinical evidence of, infection due to a relevant transfusion- transmitted infection, all donations on hold from that donor will not be used in the further manufacturing of injectable products.

4. ADMA shall bear the expense of unusable NSP due to a recall or look-back , or the destruction of any NSP due to post-donation lookback issues in accordance with FDA regulations and guidance, in each case, if such NSP has become unusable or destroyed after delivery to ADMA.

5. ADMA shall have the right to conduct periodic inspections of BPC's centers and facilities dealing with the NSP at times mutually agreeable to the Parties, with no more than [***] auditors. Such inspections shall be limited to matters directly related to this Agreement and shall be conducted in conformance with generally accepted industry practices. ADMA will provide BPC with not less than [***] days' notice prior to any of its inspections, unless mutually agreed otherwise by the Parties. Upon receipt of ADMA's audit report, BPC shall have [***] days to send a response to the appropriate ADMA representative, outlining the corrective actions that BPC will take at its expense to correct the audit deficiencies. Further, BPC agrees to provide ADMA with copies of all written reports (including FDA 483's) and correspondence between BPC and any governmental agency regarding any such inspection or review of records within [***] days of (i) receipt of any such report or correspondence from the governmental agency or (ii) the issuance or delivery of any response or correspondence by BPC; provided, however, that in the event the report or correspondence relates to a serious problem that could affect the continuous supply or quality of the NSP, then BPC agrees to use all reasonable efforts to notify ADMA within [***] days of receipt of such report or correspondence and to provide ADMA with a copy of such report or correspondence.

* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

**C. INSPECTION AND ACCEPTANCE.**

1. ADMA shall inspect each shipment of NSP for conformity with ADMA's specifications, as of the Effective Date of this Agreement which are set forth on Exhibit A (which may be amended from time to time in accordance with this Agreement), within [***] days of the arrival of such NSP at ADMA's designated warehouse. ADMA shall promptly notify BPC in writing of its determination of any non-conformity of such NSP with the ADMA Specifications, in which case, the Parties shall mutually determine, within [***] days of such written notification, whether such NSP meets the ADMA Specifications. If it is determined that such NSP does not meet the ADMA Specifications, BPC shall replace any non-conforming NSP as promptly as possible, taking into account the time required to produce such quantities of NSP. In the event the Parties fail to agree whether or not any given shipment of NSP conforms with the ADMA Specifications, then the dispute will be promptly referred to an independent expert agreed in good faith by the Parties, whose decision shall be final and binding on the Parties. The fees and expenses of such independent expert shall be borne by the Party determined to have been in error as to the conformity, or lack thereof, of the NSP to the ADMA Specifications.

2. For each shipment of NSP delivered to ADMA, BPC shall provide to ADMA a quality certificate and other industry standard documents required by regulatory authorities relating to such NSP.

**D. LIMITED WARRANTY.** BPC represents and warrants to ADMA that the NSP has been collected and produced in accordance with BPC'S approved SOP's and in accordance to ADMA Specifications. BPC represents, warrants and agrees that any and all NSP shall be collected, produced and delivered in accordance with all local, state and national laws, regulations and requirements. ADMA shall have all rights and remedies available to it under this Agreement and shall not be obligated to buy or pay for any NSP which does not, in all respects, comply with the ADMA Specifications and applicable law, rules and regulations and as otherwise required by this Agreement; provided, that ADMA must notify BPC of any rejection of NSP delivered to ADMA hereunder within [***] days of receipt of such NSP. This warranty shall not apply to any expired NSP.

**E. MISCELLANEOUS**

1. **CONFIDENTIALITY**

a. The Parties agree to maintain the confidentiality of the contents of this Agreement and the dealings between the Parties with the same degree of care as they use to protect their own proprietary, confidential or trade secret information (provided, that in no event shall either Party use less than a reasonable degree of care). Subject to the last sentence of this Section (E)(1)(a), neither Party shall disclose to any third party any confidential information received from the other hereunder without such other Party's prior written consent and shall use such confidential information only for the purpose of this Agreement. The Parties agree to hold the name and location of any and all testing labs and facilities as well as names of key personnel at the testing labs as confidential information hereunder. Said obligation of secrecy shall not apply to any information which (i) was in the public domain at the time of its disclosure or thereafter becomes part of the public domain by publication or otherwise subsequent to the time of disclosure under this Agreement through no fault of the receiving party; (ii) was known to the receiving party or in its possession prior to or at the time of disclosure by the disclosing party as shown by written records and was not disclosed to the receiving party subject to or in violation of a confidentiality obligation; (iii) is independently developed by the receiving party without use of the other Party's confidential information as shown by written documentation; (iv) is disclosed with the written approval of the disclosing party; (v) is rightfully furnished to the receiving party by a third party having the authority to disclose such confidential information without restrictions; (vi) is disclosed by law or regulation or in response to a valid order of a court or other governmental body of competent jurisdiction, or is required for registration of a product by competent authorities, but only to the extent legally required on the advice of outside legal counsel and for the purpose of such law, regulation, order or registration, and only if the receiving party first notifies the disclosing party of the required disclosure and permits the disclosing party, at its sole expense, to seek an appropriate legal remedy to maintain the information in secret; or (vii) is included in any filings made with the U.S. Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (which, for the avoidance of doubt, shall include filing a copy of this Agreement with the U.S. Securities and Exchange Commission).

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b. The above obligations shall survive the termination of this Agreement and shall continue with respect to donor information without limit of time and in respect of other confidential information for a period of [***] years.

2. **RELATIONSHIP OF THE PARTIES** . The relationship between ADMA and BPC during the term of this Agreement, including extensions and renewals, is strictly that of buyer and seller. Neither Party is, in any way, the legal representative, agent, joint venture nor partner of the other for any purpose whatsoever. Neither Party has any control or authority whatsoever to bind the other Party or any other person with respect to the other Party.

3. **INDEMNIFICATION.** BPC and ADMA hereby indemnify and agree to hold harmless each other and their respective affiliates, agents, employees, officers and directors, from and against any and all third party claims, losses, liabilities, damages, reasonable and documented out-of-pocket attorneys' fees, costs and expenses (hereinafter "**Claims**") which may be sustained by and/or claimed against the other Party by virtue of their negligent acts, negligent omissions or the negligent handling or furnishing of materials or performance of services rendered by the other Party, the willful misconduct by the other Party or its affiliates, officers, directors, employees or agents or any representation, warranty or agreement contained in this Agreement being breached, untrue or materially misleading, by omission or otherwise. Said indemnification will be capped at the dollar value of NSP purchased in the year in which the relevant Claim arises. The indemnifying Party's liability shall be reduced to the extent any such Claims arise as a result of the indemnified Party's own willful misconduct or negligence.

The Party from whom indemnity is sought shall be entitled at its option to defend or control the defense and/or settlement of any such claim if and only if the amount of losses in respect of such claim would not reasonably be expected to exceed the amount then available for indemnification; provided, that the indemnifying Party shall not settle any such claim unless the indemnifying Party would be obligated to pay the full amount of the losses in connection with such claim and such settlement completely and unconditionally releases the indemnified Party from all losses in connection with such claim, does not entail any admission of liability on the part of the indemnified Party and would not otherwise adversely affect the indemnified Party.

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Each Party shall notify the other of any claim or potential claim or liability as soon as it becomes aware that such claim, potential claim or liability has arisen (provided, that failure by such indemnified Party to give such notification shall not relieve the indemnifying Party of its obligations hereunder, except to the extent the indemnifying Party (i) demonstrates that it has been actually and materially prejudiced as a result of such failure or (ii) forfeits any rights or defenses that would otherwise have been available to the indemnifying Party but for such failure) and shall provide to the other all reasonable assistance in respect thereof.

4. **LIMITATION OF LIABILITY**. IN NO EVENT WILL EITHER PARTY HAVE ANY LIABILITY FOR ANY LOSS OF INCOME, PROFIT, INTEREST OR SAVINGS BY THE OTHER PARTY OR FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES SUFFERED BY THE OTHER PARTY, ARISING FROM OR RELATED TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THE SALE OR USE OF ANY NSP, REGARDLESS OF THE FORM OF ACTION, AND WHETHER IN CONTRACT, INDEMNITY, WARRANTY OR TORT INCLUDING WITHOUT LIMITATION STRICT LIABILITY AND NEGLIGENCE OR ANY OTHER LEGAL OR EQUITABLE GROUNDS, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES. THIS LIMITATION WILL NOT APPLY TO ANY LIABILITY FOR DAMAGES THAT MAY RESULT FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF A PARTY.

5. **INSURANCE.** ADMA and BPC shall each be required to maintain general and product liability insurance in an amount of [***]. Before commencing any work hereunder, the Parties shall furnish certificates evidencing the insurance required by this Section. The Parties shall give each other thirty (30) days advance written notice in the event the insurance required by this Section is materially modified, or cancelled or otherwise terminated for any reason.

**F. TERMINATION**.

1. In addition to any other remedy it may have, either Party shall have the right to terminate this Agreement by written notice to the other Party if the other Party fails to remedy and make good any material default in the performance of any material condition or obligation under this Agreement within sixty (60) days of written notice of such material default..

2. Upon giving the appropriate written notice, either Party may terminate this Agreement upon the occurrence of any of the following events: (a) a proceeding under any bankruptcy, reorganization, arrangement of debts, insolvency or receivership law is filed by or against the other Party, and is not dismissed or stayed within sixty (60) days, (b) a receiver or trustee is appointed for all or a substantial portion of the assets of the other Party, or (c) the other Party makes an assignment for the benefit of its creditors or becomes insolvent.

3. Upon termination of this Agreement, ADMA must pay for any NSP already delivered to ADMA.Notwithstanding anything to the contrary set forth herein, the Parties' obligations under this Agreement shall survive the termination of this Agreement to the extent necessary to give effect to their reasonable intentions.

**G. FORCE MAJEURE**.

1. Neither Party shall be liable for non-performance caused by strikes, fires, explosions, Acts of God, riots, civil or international war, acts of terrorism, an unexpected downturn in the acceptable donor population adversely affecting the industry as a whole, inability to obtain NSP because of Force Majeure at the producing location, or any other similar or dissimilar cause beyond the reasonable control of either Party which renders the performance of a Party's obligations so difficult or costly as to make such performance commercially unreasonable (each a "Force Majeure Event"). The affected Party shall immediately inform the other Party of the occurrence and termination of such Force Majeure Event.

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2. Upon giving notice to the other Party, a Party affected by an event of Force Majeure shall be released without any liability on its part from the performance of its obligations under this Agreement, except for the obligation to pay any amounts due and owing hereunder, but only to the extent and only for the period that its performance of such obligations is prevented by the event of Force Majeure. Such notice shall include a description of the nature of the event of Force Majeure, and its cause and possible consequences. The Party claiming Force Majeure shall promptly notify the other Party of the termination of such event.

5. Should the period of Force Majeure continue for more than ninety (90) days, then the Party not suffering the Force Majeure event may terminate this Agreement upon giving written notice to the other Party.

**H. REMEDIES EXCLUSIVE**.

The rights and remedies available to ADMA and BPC under this Agreement among the Parties are exclusive, subject to terms of Section I below with respect to permitted assignees.

**I. ASSIGNMENT**.

Neither Party shall assign this Agreement or any of its rights or obligations hereunder without the express written consent of the other Party, except as hereinafter provided. Any such consent shall not be unreasonably withheld or delayed. With notice to the other Party, either Party may, without the other Party's consent, assign this Agreement to (i) its affiliate, provided such Party remains liable for all of its obligations hereunder; or (ii) a successor to all or substantially all of the assets relating to the business of that Party which is involved in the fulfillment of its obligations under this Agreement, provided, that such successor shall expressly assume in writing the performance of all of the terms and conditions of this Agreement then to be performed by such successor as if it were named herein as a Party.

**J. NOTICES**. All notices, demands, requests, consents or approvals required under this Agreement must be in writing and delivered personally to the Party or sent by overnight courier service or facsimile or electronic mail, addressed to such Party as set forth below (or to such other address or facsimile number as such Party may hereafter specify for the purpose by notice to the other Party hereto):

To BPC:
Ileana Carlisle
Chief Executive Officer
Biotest Pharmaceuticals Corporation
5800 Park of Commerce Blvd. NW
Boca Raton, FL 33487

With a copy to:
Legal Department
Biotest Pharmaceuticals Corporation
5800 Park of Commerce Blvd. NW
Boca Raton, FL 33487
Fax: 561-989-5517

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To ADMA: ADMA BioManufacturing, LLC
c/o ADMA Biologics, Inc.
465 Route 17 South Ramsey, NJ 07446
Attn: Chief Executive Officer
With a copy to:
ADMA Biologics Inc.
Attn: General Counsel
5800 Park of Commerce Blvd. NW
Boca Raton, FL 33487

All notices, requests, consents and other communications hereunder shall be deemed to have been properly given (a) if by hand, at the time of the delivery thereof to the receiving party at the address of such Party set forth above, (b) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (c) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service or (d) if sent by registered or certified mail, on the fifth business day following the day such mailing is made.

**K. CHANGE OF CONTROL**.

If, after a Change of Control, BPC (or its successor-in-interest) either notifies ADMA during the Initial Term of the Agreement of its intention to cease the supply of NSP, or otherwise willfully breaches this Agreement and as a result thereof fails to deliver NSP in accordance with the terms of this Agreement, ADMA shall have the right to notify BPC and terminate the Agreement and BPC or its successor-in- interest shall promptly pay to ADMA damages in the amount of Fifteen Million Dollars ($15,000,000) by wire transfer of immediately available funds to the bank account designated in writing by ADMA. The parties agree that the foregoing amount is not a penalty but an approximation of damages that ADMA would incur in the event of such breach of this Agreement following a Change of Control by BPC or its successor-in-interest. Notwithstanding the payment of the damages described herein, ADMA shall also be able to fully pursue all breach of contract remedies for damages in accordance with this Agreement in the event of such breach of this Agreement permitting ADMA to exercise its right to damages under this Section K.

For purposes of this Section K, "**Change of Control**" means any (a) direct or indirect acquisition (whether by a purchase, sale, transfer, exchange or issuance) of shares of capital stock or other securities, in a single transaction or series of related transactions, representing more than fifty percent (50%) of the voting power of Biotest AG, Biotest US Corporation or BPC (in each case, including by means of a spin- off, split-off or public offering), (b) merger, consolidation or other business combination directly or indirectly involving Biotest AG, Biotest US Corporation or BPC representing more than (50%) of the assets of Biotest AG, Biotest US Corporation or BPC, (c) reorganization, recapitalization, liquidation or dissolution directly or indirectly involving Biotest AG, Biotest US Corporation or BPC, (d) direct or indirect sale, lease, exchange, mortgage, transfer or other disposition, in a single transaction or series of related transactions, of more than fifty percent (50%) of the assets of Biotest AG, Biotest US Corporation or BPC, or (e) other transaction having a similar effect to those described in clauses (a) through (d).

For avoidance of doubt this Section K is only applicable if ADMA has not assigned this Agreement or engaged in an ADMA Change of Control. For purposes hereof, an "**ADMA Change of Control**" (a) direct or indirect acquisition (whether by a purchase, sale, transfer, exchange or issuance) of shares of capital stock or other securities, in a single transaction or series of related transactions, representing more than fifty percent (50%) of the voting power of ADMA Biologics, Inc. ("**ADMA Parent**") or ADMA (in each case, including by means of a spin-off, split-off or public offering), (b) merger, consolidation or other business combination directly or indirectly involving ADMA Parent or ADMA representing more than (50%) of the assets of ADMA Parent or ADMA, (c) reorganization, recapitalization, liquidation or dissolution directly or indirectly involving ADMA Parent or ADMA, (d) direct or indirect sale, lease, exchange, mortgage, transfer or other disposition, in a single transaction or series of related transactions, of more than fifty percent (50%) of the assets of ADMA Parent or ADMA, or (e) other transaction having a similar effect to those described in clauses (a) through (d).

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**L. INTEGRATION; EFFECT OF AMENDMENT**.

This Agreement, including all attachments, schedules or other agreements specifically incorporated by reference, constitute the entire agreement among the Parties with respect to the subject matter of this Agreement and supersede any and all other prior written or oral agreements, understandings, negotiations or discussions among the Parties with respect to the subject matter of this Agreement. This Agreement may not be modified or amended in any respect except by an instrument in writing signed by both of the Parties.

**M. CHOICE OF LAW**.

1. This Agreement shall be governed by, and construed under laws of the State of Delaware, without regard to its conflict of laws principles.

2. Each of the Parties agrees that, notwithstanding anything herein, any claim, demand, action, cause of action, suit, countersuit, litigation or proceeding by or before any governmental authority arising out of or in connection with this Agreement (any "Action"), or for recognition and enforcement of any judgment arising out of or in connection with this Agreement, shall be tried and determined exclusively in the state or federal courts in the State of Delaware, and each of the Parties hereby irrevocably submits with regard to any such Action for itself and in respect to its property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid courts. Each of the Parties hereby expressly waives any right it may have to assert, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any such Action (i) any claim that it is not subject to personal jurisdiction in the aforesaid courts for any reason; (ii) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts; and (iii) any claim that (A) any of the aforesaid courts is an inconvenient or inappropriate forum for such Action, (B) venue is not proper in any of the aforesaid courts and (C) this Agreement or the subject matter hereof may not be enforced in or by any of the aforesaid courts. Each of the Parties agrees that mailing of process or other papers in connection with any such Action in the manner provided in Section J or any other manner as may be permitted by law shall be valid and sufficient service thereof.

3. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE WAIVER IN THIS SECTION (M)(3), (II) SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (III) SUCH PARTY MAKES SUCH WAIVER VOLUNTARILY AND (IV) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS, AGREEMENTS AND CERTIFICATIONS HEREIN.

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**N.** **REPRESENTATIONS AND WARRANTIES** . Each party hereto hereby represents and warrants to the other as follows: (i) each party hereto has all requisite power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) the execution and delivery of this Agreement and the consummation by such party of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such party, (iii) this Agreement has been duly and validly executed and delivered by such party and constitutes the valid and binding obligation of such party, enforceable against such party in accordance with its terms and (iv) the execution and delivery of this Agreement and the consummation by such party of the transactions contemplated hereby does not and will not (a) require the consent of or registration with, any court, federal state, local or foreign governmental or regulatory body, or (b) constitute a default (with or without notice or lapse of time, or both) under or conflict with any contract, agreement or order to which such party is a party or by which such party or any of its properties or assets is subject or bound.

[*Signature Page Follows*]

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**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement by their duly authorized officers as of the day and year first written above.

**ADMA BioManufacturing, LLC.**

By: /s/ Adam Grossman
Name: Adam Grossman
Title: President & CEO
Date: June 6, 2017

*[Signature Page to Normal Source Plasma Supply Agreement]*

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* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement by their duly authorized officers as of the day and year first written above.

**Biotest Pharmaceutical Corporation**

By: /s/ Ileana Carlisle
Name: Ileana Carlisle
Title: Chief Executive Officer
Date: June 6, 2017

*[Signature Page to Normal Source Plasma Supply Agreement]*

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* Confidential treatment has been requested with respect to portions of this agreement as indicated by "[***]" and such confidential portions have been deleted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXECUTED

**PURCHASE AGREEMENT**

This Purchase Agreement ("Agreement") is made effective as of the 6th day of June, 2017 (the "Execution Date"), by and among (i) Biotest Pharmaceuticals Corporation, a Delaware corporation ("Buyer"), (ii) ADMA Bio Centers Georgia, Inc., a Delaware corporation ("ADMA BioCenters") and (iii) ADMA Biologics, Inc., a Delaware corporation ("ADMA Biologics", and together with ADMA BioCenters, the "Seller"). The Buyer and the Seller sometimes are referred to collectively herein as the "Parties" and individually as a "Party." Except as otherwise expressly provided herein, capitalized terms used in this Agreement shall have the meanings set forth in Annex A.

**WHEREAS,** Buyer, Biotest AG, Biotest US Corporation, ADMA BioManufacturing, LLC (" ADMA BioManufacturing ") and ADMA Biologics have entered into that certain Master Purchase and Sale Agreement dated as of January 21, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Master Purchase Agreement"), pursuant to which ADMA BioManufacturing will acquire the Purchased Assets (as defined therein) from Buyer and the parties thereto will also consummate the other transactions contemplated thereby (collectively, the "Transaction");

**WHEREAS,** Seller currently owns or holds a leasehold interest in the Acquired Assets (as defined below); and

**WHEREAS,** Seller desires to sell, convey, transfer, assign and deliver to Buyer and Buyer desires to purchase, receive and assume from Seller, all of Seller's right, title and interest in and to the Acquired Assets (as defined below) pursuant to the terms and conditions contained herein.

**NOW THEREFORE,** in consideration of the representations, warranties, and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties, intending to be legally bound, hereby agree as follows:

**1. Purchase and Sale of Assets.**

a. *Purchase and Sale*. For and in consideration of the Purchase Price and the mutual agreements and covenants set forth herein and in the Master Purchase Agreement, Buyer hereby agrees to purchase, receive and assume from Seller at the Closing, and Seller hereby agrees to sell, convey, transfer, assign and deliver to Buyer at the Closing, all of its right, title and interest in and to, the following (the "Acquired Assets"):

(i) all assignable right, title and interest of Seller in the leases set forth on Schedule 1(a)(i) hereto (each lease, as amended, an "Acquired Center Lease", and collectively, the "Acquired Center Leases") pertaining to the building and improvements located at (i) 6290 Jimmy Carter Boulevard, Suites 206-208 and 210, Norcross, Georgia 30071 (the "Norcross Center") and (ii) 3000 Windy Hill Road SE, Suites 212 and 220, Marietta, Georgia 30067 (the "Marietta Center", and together with the Norcross Center, collectively, the "Acquired Centers"). With respect to all cash security deposits and other amounts and instruments deposited by or on behalf of Seller under the Acquired Center Leases, Buyer shall reimburse Seller in the amount of $27,163.04 on the Closing Date, as full settlement for all such cash security deposits and other amounts and instruments;

(ii) the assets and other tangible personal property (including machinery, equipment, information technology hardware and furniture) of Seller located at and exclusively used or held for exclusive use in the operation of the Acquired Centers as of the Closing (the "Assets"), including, as of the date hereof, those Assets set forth on Schedule 1(a)(ii) hereto, and all manufacturers' or similar warranties relating to the Assets;

(iii) all unresolved claims Seller has as of the Closing against any Person who has supplied or is supplying goods or services with respect to the Acquired Centers, the Acquired Center Leases, and the Acquired Assets, in each case to the extent such unresolved claims relate to the Acquired Centers, the Acquired Center Leases, or the Acquired Assets;

(iv) all plasma inventories (including unreleased plasma in stock) and related supplies of Seller located at the Acquired Centers and used exclusively or held for exclusive use in the operation of the Acquired Centers, in each case as of the Closing;

( v ) all contracts to which Seller is a party exclusively related to the Acquired Centers or the Acquired Assets, including those identified as of the date hereof on Schedule 1(a)(v) hereto and any entered into between the Execution Date and Closing in accordance with Sections 8.a(ii)(6) or (7) (the "Assigned Contracts"); provided that the Parties shall reasonably cooperate with each other with respect to the assignment or retention of any contract that is used by both the Acquired Centers and any other biocenters of Seller to take into account whether Buyer has a contract with the third party to such contract, whether the contract can be separated between Buyer and Seller and similar considerations;

(vi) all licenses and permits held by Seller exclusively related to the Acquired Centers or the Acquired Assets (the "Permits"), including those identified as of the date hereof on Schedule 1(a)(vi) hereto, in each case solely to the extent transferable;

(vii) all business and financial records held by Seller and relating exclusively to the Acquired Centers as of the Closing;

(viii) all of Seller's data bases, donor lists and records, in each case to the extent used exclusively with respect to the operations of the Acquired Centers as of the Closing and to the extent transferable under applicable Law;

(ix) any refund or credit of Taxes attributable to any Liability for Taxes allocated to Buyer pursuant to the provisions of Section 8.f;

(x) all goodwill of Seller exclusively related to the Acquired Centers as of the Closing to the extent not associated with the Excluded Assets; and

(xi) all other tangible assets owned or leased by Seller and used exclusively or held for exclusive use in connection with the operation of the Acquired Centers as of the Closing.

b. *Excluded Assets*. Notwithstanding Section 1.a, the Parties acknowledge and agree that Seller is not selling conveying, transferring, delivering or assigning to Buyer any rights whatsoever to those assets described below or specifically listed on Schedule 1(b) (collectively, the "Excluded Assets"), in each case, wherever located or by whomever possessed, and Buyer is not purchasing, taking delivery of or acquiring from or through Seller any rights whatsoever in or to the following Excluded Assets from Seller:

(i) all assets of Seller and its Affiliates not used exclusively in the operation of the Acquired Centers;

(ii) all cash, cash equivalents, accounts, securities, notes receivable and chattel paper of Seller or any of its Affiliates;

(iii) all accounts and Accounts Receivable of Seller with respect to the Acquired Centers or otherwise, or any of its Affiliates, including any payments received with respect thereto after the Closing Date, arising prior to the Closing Date;

(iv) all Seller Plans;

(v) any refund or credit of Taxes attributable to any (x) Liability for Taxes allocated to Seller pursuant to the provisions of Section 8.f or (y) Excluded Asset;

(vi) all donor center technical guides, quality control and training manuals of the Acquired Centers, Business Intellectual Property and goodwill and other intangible assets associated with the operation of the Acquired Centers, in each case, subject to the rights granted to Buyer under the IP License (which, for the avoidance of doubt, shall include the right of Buyer to use such guides and manuals solely in connection with the operation of the Acquired Centers in accordance with Section 8.d hereof, subject to maintaining the confidentiality of the same);

(vii) Seller's minute books, stock records, seals, and other corporate governance documentation;

(viii) the blood bank and associated equipment, including the Sorvall serofuge; and

(ix) all other properties, items or assets of Seller and its Affiliates that are not expressly included in the Acquired Assets.

c. *Purchase Price.* In consideration of the sale, assignment, conveyance, transfer and delivery of the Acquired Assets and consummation of the Transactions contemplated under the Master Purchase Agreement, Buyer shall, upon Closing, (a) assume the Assumed Liabilities and (b) deliver, or cause to be delivered, by wire transfer to or for the account(s) of Seller the sum of Ten Dollars ($10.00) (the "Purchase Price").

d. *Closing.* The closing of the transactions contemplated by this Agreement (the "Closing"), shall take place and shall be deemed effective as of 12:01 a.m., New York Time, on January 1, 2019, unless otherwise mutually agreed by the Parties in writing (such date and time of the Closing, "Closing Date"). The Closing can occur remotely by exchange of signed documents by PDF or other electronic means. Except as otherwise provided herein, at the Closing, all transactions contemplated by this Agreement shall take place contemporaneously and no such transaction shall be deemed completed or consummated until all such transactions are completed or consummated.

**2. Closing Deliverables**.

a. *Seller Closing Deliverables.* At the Closing, the Seller shall execute and/or deliver (or cause to be executed and/or delivered) to Buyer the following documents:

(i) an Assignment and Assumption of Lease Agreement in the form to be mutually agreed by the Parties in connection with the Closing (each, an "Assignment and Assumption of Lease") with respect to each Acquired Center Lease, assigning Seller's right, title and interest under each Acquired Center Lease to Buyer;

(ii) to the extent a landlord's consent is required in connection with the assignment of an Acquired Center Lease to Buyer, a written consent from such landlord consenting to the assignment of such Acquired Center Lease to Buyer (which consent may be included in the Assignment and Assumption of Lease if agreed to by such landlord);

(iii) all material consents, waivers, authorizations and approvals, if any, mutually agreed by the Parties to be required from any Governmental Authorities in connection with the consummation of the transactions contemplated by this Agreement;

(iv) a certificate of a duly authorized officer of Seller certifying that each representation and warranty of Seller hereunder is true and correct as of the Closing Date (except that those representations and warranties which address matters only as of a particular date need only be true and correct as of such date), in each case except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(v) a certificate of a duly authorized officer of Seller certifying that Seller has performed and complied in all material respects with each of the covenants, agreements and obligations Seller is required to perform at or prior to Closing under the terms of this Agreement;

(vi) a Bill of Sale in the form attached hereto as Exhibit A, transferring all of Seller's right, title and interest in the Acquired Assets to Buyer;

(vii) an Assignment of Contracts in the form attached hereto as Exhibit B (the "Assignment");

(viii) all such filings and submissions to the FDA or any other Governmental Authority, duly executed by Seller, as are necessary in connection with the transfer of the rights to any Licenses or Permits (to the extent so transferable);

(ix) a certificate substantially in the form attached hereto as Exhibit C, certifying that Seller is not a "foreign person" within the meaning of Section 1445 of the Code;

(x) evidence of release of any liens other than Permitted Encumbrances on the Acquired Assets;

(xi) an RSV plasma supply agreement in form and substance mutually agreeable to the Parties, which supply agreement will provide that for three (3) years after the Closing ADMA Biologics and ADMA BioManufacturing will be able to purchase RSV plasma from the Acquired Centers at a price equal to cost plus 5% (without any additional increase due to inflation); and

(xii) such additional documents as shall be reasonably requested by Buyer to consummate the transactions contemplated by this Agreement.

b. *Buyer Closing Deliverables*. At the Closing, the Buyer shall execute and/or deliver (or cause to be executed and/or delivered) to Seller the following documents:

(i) executed counterparts of each Assignment and Assumption of Lease and the Assignment;

(ii) all material consents, waivers, authorizations and approvals, if any, mutually agreed by the Parties to be required from any Governmental Authorities in connection with the consummation of the transactions contemplated by this Agreement;

(iii) all such filings and submissions to the FDA or any other Governmental Authority, duly executed by Buyer, as are necessary in connection with the transfer of the rights to any Licenses or Permits (to the extent so transferable);

(iv) a certificate of a duly authorized officer of Buyer certifying that each representation and warranty of Buyer hereunder is true and correct as of the Closing Date (except that those representations and warranties which address matters only as of a particular date need only be true and correct as of such date), in each case except as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on Buyer's ability to consummate the transactions contemplated hereby;

(v) a certificate of a duly authorized officer of Buyer certifying that Buyer has performed and complied in all material respects with each of the covenants, agreements and obligations Buyer is required to perform at or prior to Closing under the terms of this Agreement;

(vi) an RSV plasma supply agreement in form and substance mutually agreeable to the Parties, which supply agreement will provide that for three (3) years after the Closing ADMA Biologics and ADMA BioManufacturing will be able to purchase RSV plasma from the Acquired Centers at a price equal to cost plus 5% (without any additional increase due to inflation); and

(vii) such additional documents as shall be reasonably requested by Seller to consummate the transactions contemplated by this Agreement.

**3. Permits, Licenses and Consents.**

a. Each of Seller and Buyer shall use all of its respective commercially reasonable efforts to obtain all necessary approvals, consents or waivers and to resolve any impracticalities of transfer necessary to sell, assign, transfer or convey the Acquired Assets, Acquired Center Leases, Assigned Contracts, Licenses and Permits (to the extent transferable) as soon as practicable following the date hereof and prior to the Closing. If a license, permit or contract has not been issued as of the Closing, it will be at the sole expense and responsibility of Buyer to obtain any such license, permit or contract from and after the Closing. Seller will have no further obligation to maintain, apply, respond or take any other action with respect to any Acquired Asset after the Closing Date, except as required by the U.S. Food and Drug Administration ("FDA") or any other applicable Governmental Authority or as required pursuant to Section 3.b of this Agreement.

b. As reasonably requested following the Closing, Seller agrees to use its commercially reasonable efforts to cooperate with Buyer in obtaining permits and licenses as set forth in Schedule 3(b) and to the extent permitted by Law, Seller, if applicable, shall allow Buyer to operate under such permits and licenses until such time as Buyer receives its own permits and licenses following the Closing, and Seller shall keep in effect and make no such attempts to cancel said permits and licenses during such time.

c. As of the Closing, Seller shall assign (or cause to be assigned) to Buyer, and Buyer will assume, each Assigned Contract and Acquired Center Lease, in each case to the extent permitted by, and in accordance with, applicable Law and the terms of such Assigned Contract or Acquired Center Lease. Notwithstanding anything herein to the contrary, but subject to Section 3.a above, if the assignment or assumption of all or any portion of any rights or obligations under any Assigned Contract or Acquired Center Lease shall require the consent of any other party thereto or any other third party that has not been obtained prior to the Closing or if an attempted assignment thereof would be ineffective (such Assigned Contracts and Acquired Center Leases, the "Delayed Contracts"), this Agreement shall not constitute an agreement to assign, license, sublicense, lease, sublease, convey or otherwise transfer any rights or obligations under any such Delayed Contract to the extent an attempted assignment without any such consent would constitute a breach or violation thereof or an attempted assignment thereof would be ineffective. In order, however, to seek to provide Buyer the full realization and value of each Delayed Contract, (a) Seller and Buyer shall, subject to Section 3.a above, reasonably cooperate to obtain any consents necessary for the assignment of any Delayed Contracts as soon as practicable after the Closing, provided that neither Party shall be required to make any material payments in connection therewith and (b) with respect to each Delayed Contract, from and after the Closing until the earlier of: (i) the date on which the necessary consent(s) have been obtained, or (ii) the date on which such Delayed Contract has expired or been terminated, Seller shall (x) hold such Delayed Contract for the use and benefit of Buyer, (y) treat such Delayed Contract in the Ordinary Course of Business, and (z) take such other actions as are reasonably necessary to provide to Buyer the benefits under such Delayed Contract (with Buyer being entitled to all the gains thereunder and subject to, and responsible for, all Assumed Liabilities thereunder (as if such Delayed Contract were an Assigned Contract or Acquired Center Lease under Section 4)), including paying over to Buyer the amount of any and all payments and reimbursements received by Seller relating to or arising out of the Delayed Contract, other than such payments and reimbursements as constitute Accounts Receivable.

**4. Assumption of Obligations and Liabilities.** At the Closing, Buyer shall assume (i) all of Seller's Liabilities under the Acquired Center Leases and the Assigned Contracts arising from and after the Closing Date (excluding any obligation or liabilities arising as a result of a breach or default thereof prior to the Closing by Seller); (ii) all Liabilities in respect of employees of Seller at the Acquired Centers hired by Buyer to the extent arising after the Closing; (iii) all Liabilities arising out of or relating to the ownership of the Licenses and Permits, to the extent transferable, after the Closing; (iv) all Liabilities related to unresolved claims Seller has as of the Closing against any Person who has supplied or is supplying goods and services with respect to the Acquired Centers, the Acquired Center Leases and the Acquired Assets; (v) all Liabilities for Taxes allocated to Buyer pursuant to the provisions of Section 8.f; and (vi) any and all other Liabilities relating to or arising in connection with the Acquired Assets from and after the Closing, other than the Excluded Liabilities (collectively, the "Assumed Liabilities"). Except for the Assumed Liabilities, Buyer is not assuming any of Seller's other liabilities or obligations of any kind, whether known or unknown, matured or unmatured, fixed, contingent or otherwise, and whether or not threatened or pending or asserted or unasserted as of the Closing Date (the "Excluded Liabilities"). Without limiting the generality of the foregoing, the parties specifically agree that Excluded Liabilities shall include:

a. any Liability relating to the Excluded Assets;

b. any Liability relating to Seller's Accounts Payable prior to the Closing Date;

c. any Liability arising under or in respect of all Seller Plans;

d. any Liability for Taxes allocated to Seller pursuant to the provisions of Section 8.f; and

e. any Liability under any Assigned Contract and Acquired Center Lease arising out of any breach thereof by Seller occurring prior to the Closing.

**5. Employees.** Buyer shall have the right to extend an offer of at-will employment to all persons employed by Seller with respect to the Acquired Centers prior to the Closing Date, a complete list of whom as of the date hereof is set forth on Schedule 5-A hereto. All decisions to extend an offer of employment shall be made in Buyer's sole discretion, and Buyer shall notify Seller of such decision no less than three (3) days prior to the Closing Date. Notwithstanding the foregoing, Buyer shall not have the right to extend an offer of employment to those individuals set forth on Schedule 5-B hereto.

**6. Seller's Representations.** Seller represents and warrants to Buyer that:

a. *Organization and Good Standing*. Seller is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all requisite corporate power and authority to own the Acquired Assets.

b. *Authority; Authorization*. Seller has all requisite corporate power and authority to execute and deliver this Agreement, to consummate the transactions contemplated herein and to perform all the terms and conditions to be performed by it as provided for in this Agreement. The execution and delivery of this Agreement by Seller, the performance by Seller of all the terms and conditions to be performed by it and the consummation by Seller of the transactions contemplated herein have been duly authorized and approved by all necessary corporate action. This Agreement has been duly executed and delivered by Seller and constitutes the valid and binding obligation of Seller, enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or other Laws relating to or affecting the enforcement of creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding at Law or in equity).

c. *No Violations*. Except as set forth on Schedule 6(c) hereto, the execution and delivery of this Agreement by Seller does not, and the fulfillment and compliance with the terms and conditions hereof and the consummation of the transactions contemplated herein by Seller will not:

(i) conflict with, or require the consent of any Person or entity under, any of the terms, conditions or provisions of the certificate of incorporation or bylaws of Seller;

(ii) violate in any material respect any provision of, or require any governmental or regulatory filing, consent or approval under, any federal, state or local law, rule, regulation, ordinance, judgment, order or decree applicable to or binding upon Seller; or

(iii) conflict in any material respect with, result in a material breach of, constitute a material default under, constitute an event that, with notice or lapse of time or both, would constitute a material default under, accelerate or permit the acceleration of the performance required by or require any consent, authorization or approval under any material mortgage, indenture, loan, credit agreement or other agreement evidencing indebtedness for borrowed money to which Seller is a party or by which Seller is bound.

d. *Third Party Consents*. Except as listed on Schedule 6(d) attached hereto, neither the execution and delivery of this Agreement, nor the performance of Seller hereunder will require any notice to, filing with, authorization of, exemption by, or consent of any other Person under any Assigned Contract or any Governmental Authority.

e. *Brokers*. Seller does not have any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transaction contemplated by this Agreement for which Buyer could become liable or obligated.

f. *Title to Assets*. All of the Acquired Assets are owned or leased by Seller and not by any Affiliate thereof or any other Person. The Acquired Assets constitute all of the property and assets used exclusively by Seller for the operation of the Acquired Centers, other than (i) the Business Intellectual Property and (ii) Intellectual Property of third parties used by Seller pursuant to a license or other right. Seller has good and marketable title to, or a valid leasehold interest in, the Acquired Assets, free and clear of all Encumbrances, other than (i) statutory liens for current year Taxes not yet due and payable or Taxes being contested in good faith by appropriate proceedings, and for which Seller has set aside on its books adequate reserves, (ii) mechanics', carriers', workers', repairers' and other similar liens arising or incurred in the ordinary course of business, relating to obligations not yet due and payable or the validity or amount of which is being contested in good faith by appropriate proceedings, and for which Seller has set aside on its books adequate reserves, or pledges, deposits or other liens securing the performance of bids, trade contracts, leases or statutory obligations (including workers' compensation, unemployment insurance or other social security legislation), (iii) inchoate liens that may arise under applicable Law, (iv) purchase money liens and liens securing rental payments under capital lease arrangements, (v) any Encumbrance that does not materially interfere with the current occupancy and use of the Acquired Centers under the Acquired Center Leases, (vi) in the case of the Acquired Centers, any Encumbrance to which the fee interest or any superior leasehold interest is subject, (vii) rights of the landlords in respect of the Acquired Assets, to the extent provided for under the Acquired Center Leases or applicable Laws, and (viii) any Encumbrance listed on Schedule 6(f) attached hereto (collectively, "Permitted Encumbrances"). Except in connection with any indebtedness for borrowed money incurred by Seller, there are no existing agreements, options, commitments, or rights with, of or to any Person or entity to acquire any portion of Seller's assets, properties or rights included in the Acquired Assets or any interest therein.

g. *Business Intellectual Property*. To the Knowledge of Seller: (i) Seller has the right to grant the IP License to Buyer with respect to Business Intellectual Property free and clear of any encumbrances or other restrictions; (ii) none of the Business Intellectual Property is the subject of (A) any pending adverse judgment, injunction, order, decree or agreement restricting Seller's current use of such Business Intellectual Property in connection with the Acquired Centers or (B) any threatened litigation or claim of infringement made in writing or any pending litigation to which Seller is a party and (iii) Seller has not sent any Person any claim, demand or notice asserting infringement of any Business Intellectual Property.

h. *Taxes*. Except as set forth on Schedule 6(h):

(i) Seller has duly and timely filed (taking into account any extensions of time for such filings that have been properly requested) all material Tax Returns required to be filed with respect to the Acquired Centers and/or Acquired Assets. All such Tax Returns are true, correct and complete in all material respects. Seller has timely paid and discharged all material Taxes required to be paid with respect to the Acquired Centers and/or Acquired Assets.

(ii) There are no Encumbrances for Taxes (other than Encumbrances for current Taxes not yet due and payable) on the Acquired Assets. Seller has timely withheld all material Taxes with respect to the Acquired Assets required to have been withheld under applicable Laws and has timely paid over to the appropriate Governmental Authority all amounts required to be so withheld in connection with any amounts paid or owing to any employee, independent contractor, creditor or other third party with respect to the Acquired Centers and/or the Acquired Assets. All employees and independent contractors of the Acquired Centers have been properly classified for Tax purposes and all IRS Forms W-2 and 1099 required under applicable Law with respect thereto to be filed have timely and properly been completed and filed.

(iii) No audit, examination, litigation, action or proceeding by any Governmental Authority for the assessment or collection of Taxes of Seller with respect to the Acquired Centers and/or the Acquired Assets is outstanding, pending or, to Seller's Knowledge, has been threatened in writing, and no written claim or deficiency against Seller for the assessment or collection of any Taxes with respect to the Acquired Centers and/or the Acquired Assets has been asserted or proposed which written claim or deficiency has not been settled with all amounts determined to have been due and payable having been timely paid (taking into account any granted extension of the due date for payment of such Taxes).

(iv) Seller is not a party to any contract with respect to the Acquired Centers and/or the Acquired Assets that has resulted or would result, separately or in the aggregate, in the payment of (i) any "excess parachute payment" within the meaning of Section 280G of the Code (or any corresponding provision of state, local or foreign Tax Law) or (ii) any amount that will not be fully deductible as a result of Section 162(m) of the Code (or any corresponding provision of state, local or foreign Tax Law).

(v) Seller has disclosed on its U.S. federal income Tax Returns all positions taken therein with respect to the Acquired Centers and/or the Acquired Assets that could give rise to a substantial understatement of U.S. federal income Tax within the meaning of Section 6662 of the Code. Seller has not participated in a reportable transaction, with respect to the Acquired Centers and/or the Acquired Assets, subject to Treasury Regulation Section 1.6011-4(a) or any transaction that is the same as or substantially similar to one of the types of transactions that the IRS has determined to be a tax avoidance transaction and identified by notice, regulation or other form of published guidance.

(vi) There is no request for a ruling or determination in respect of any Tax relating to the Acquired Centers and/or the Acquired Assets pending between the Seller and any Governmental Authority.

(vii) The Seller is not party to any Tax sharing agreement relating to the Acquired Centers and/or the Acquired Assets.

(viii) There is no outstanding waiver of the statute of limitations with respect to Taxes relating to the Acquired Centers and/or the Acquired Assets.

(ix) To the Knowledge of Seller, no Governmental Authority has asserted that Seller was required to file a Tax Return with respect to the Acquired Centers and/or the Acquired Assets in any jurisdiction where Seller has not filed a Tax Return.

(x) Notwithstanding any other provision of this Agreement, this Section 6.h sets forth the Seller's sole and exclusive representations and warranties with respect to Taxes.

i. *Employees*. All employees of Seller that perform work exclusively or primarily at or for the Acquired Centers are listed on Schedules 5-A and 5-B hereto (each, an "Employee" and collectively, the "Employees"). To Seller's Knowledge, no Employee has any plan to terminate employment with Seller. Seller is not a party to or bound by any collective bargaining contract that covers or otherwise affects the Employees or the Acquired Centers, nor has Seller experienced any strikes, grievances, claims of unfair labor practices, or other collective bargaining disputes at the Acquired Centers or otherwise with respect to the Employees. Seller has not committed any unfair labor practice in violation of applicable Law with respect to the Employees or the Acquired Center. To Seller's Knowledge, no organizational effort is presently being made or is threatened by or on behalf of any labor union with respect to the Employees or the Acquired Centers. In the past three years Seller has not granted any increase in the base compensation or made any other material change in the employment terms of any of the Employees outside the Ordinary Course of Business. Seller has paid all salary, bonus and other amounts due and owing to the Employees as of Seller's most recent payroll date. Each person who Seller has retained as an independent contractor at the Acquired Centers during the past three (3) years qualifies or qualified as an independent contractor and not as an employee under the Code and all state Laws.

j. *Employee Benefit Plans*. All Seller Plans are listed on Schedule 6(j). All Seller Plans are in material compliance with their terms and with the Code and ERISA. There are no actions, suits, or claims (other than routine, non-contested claims for benefits) pending or, to Seller's Knowledge, threatened against the Seller Plans, or any administrator or fiduciary thereof, which could result in any material Liability.

k. *Pending Actions*. There is no Action, unsatisfied order or judgment, governmental investigation or proceeding pending, or to Seller's Knowledge, threatened against the Acquired Centers or the Acquired Assets or related to the transactions contemplated by this Agreement, in each case that would be material to either or both of the Acquired Centers and the Acquired Assets.

l. *Contracts*. Seller has provided Buyer with true, accurate and complete copies of each of the Acquired Center Leases and each of the Assigned Contracts, including all amendments thereto. There are no actual or alleged material defaults or material breaches on the part of Seller or, to the Seller's Knowledge, on the part of the other parties thereto under the Acquired Center Leases or any of the Assigned Contracts. The Acquired Center Leases and the Assigned Contracts are valid, binding and in full force and effect, except as such enforceability may be limited by bankruptcy, insolvency or other Laws relating to or affecting the enforcement of creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding at Law or in equity).

m. *No Violations*. Neither Seller nor to Seller's Knowledge the landlord under the Acquired Center Leases have received any written notification from any Governmental Authority (i) that either of the Acquired Centers is in violation in any material respect of any applicable fire, health, building, use, occupancy or zoning Laws where such violation remains outstanding or (ii) that any work is required to be done upon or in connection with the Acquired Centers, which required work remains to be done.

n. *Environmental Matters.* Neither Seller nor to Seller's Knowledge the landlord under the Acquired Center Leases has received any written notification that any Governmental Authority has determined that there are any violations of environmental statutes, ordinances or regulations affecting the Acquired Centers. There are no Actions pending against Seller, or to Seller's Knowledge, the landlord under the Acquired Center Lease, or the Acquired Centers seeking monetary damages, injunctive relief or remedial action or other remedy relating to any violation of or non-compliance with any environmental legal requirements applicable to the Acquired Centers or the disposal or discharge of hazardous substances with respect to the Acquired Centers. The Acquired Centers comply in all material respects with all environmental Laws. This Section 6.n contains the sole and exclusive representations and warranties of the Seller with respect to environmental matters.

o. *Compliance with Laws*. To Seller's Knowledge, in the three year period prior to the date hereof, Seller has complied in all material respects with all Laws of any Governmental Authority applicable to it or to the operation of the Acquired Centers. To Seller's Knowledge, it is not under investigation with respect to any violations of any Laws in connection with the operation of the Acquired Centers.

p. *Regulatory Matters.* Schedule 6(p) sets forth a true and complete list of all registrations, licenses, permits, approvals and authorizations required to operate the Acquired Centers as of the date hereof (the "Required Registrations"). To Seller's Knowledge, Seller is in possession of all Required Registrations, and Seller has not received written notice from any Governmental Authority that there are circumstances currently existing which would lead to any loss of any Required Registration or refusal to renew any Required Registration on terms no less advantageous to Seller than the terms of those Required Registrations currently in force.

q. *Absence of Certain Changes*. Since September 30, 2016, Seller has conducted the business of the Acquired Centers in the Ordinary Course of Business, and since September 30, 2016, there has been no Material Adverse Effect, nor to Seller's Knowledge has any event occurred that would reasonably be expected to have a Material Adverse Effect on the business of the Acquired Centers or any of the Acquired Assets.

**7. Buyer's Representations.** Buyer represents and warrants to Seller that:

a. *Organization and Good Standing*. Buyer is a corporation duly organized, validly existing and in good standing under the Laws of Delaware and has all the requisite corporate power and authority to own the Acquired Assets and to assume the Assumed Liabilities.

b. *Authority; Authorization.* Buyer has all requisite corporate power and authority to execute and deliver this Agreement, to consummate the transactions contemplated herein and to perform all of the terms and conditions to be performed by it as provided in this Agreement. The execution and delivery of this Agreement by Buyer, the performance by Buyer of all of the terms and conditions to be performed by it and the consummation by Buyer of the transactions contemplated herein have been duly authorized and approved by all necessary corporate action. This Agreement has been duly executed and delivered by Buyer and constitutes the valid and binding obligation of Buyer, enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or other Laws relating to or affecting the enforcement of creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding at Law or in equity).

c. *No Violations*. The execution and delivery of this Agreement by Buyer does not, and the fulfillment and compliance with the terms and conditions hereof and the consummation of the transactions contemplated herein will not:

(i) conflict with, or require the consent of any Person or entity under, any of the terms, conditions or provisions of the certificate of incorporation or the bylaws of Buyer;

(ii) violate in any material respect any provision of, or require any governmental or regulatory filing, consent or approval under, any federal, state or local law, rule, regulation, ordinance, judgment, order or decree applicable to or binding upon Buyer; or

(iii) conflict in any material respect with, result in a material breach of, constitute a material default under, constitute an event that, with notice or lapse of time or both, would constitute a material default under, accelerate or permit the acceleration of the performance required by or require any consent, authorization or approval under any material mortgage, indenture, loan, credit agreement or other agreement evidencing indebtedness for borrowed money to which Buyer is a party or by which Buyer is bound.

d. *Third Party Consents*. Except related to obtaining the Permits, neither the execution and delivery of this Agreement, nor the performance of Buyer hereunder will require any notice to, filing with, authorization of, exemption by, or consent of any other Person under any material contract to which Buyer is a party or any Governmental Authority.

e. *Brokers*. Buyer does not have any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transaction contemplated by this Agreement for which Seller could become liable or obligated.

f. *Pending Actions*. There is no Action, unsatisfied order or judgment, governmental investigation or proceeding pending, or to Buyer's Knowledge, threatened against Buyer or related to the transactions contemplated by this Agreement.

**8. Additional Agreements.**

a. *Operation of the ADMA BioCenters Business.*

(i) Except (A) as required by applicable Law or (B) as set forth in Schedule 8(a)(i), during the period from the Execution Date until the earlier of the Closing Date and the termination of this Agreement pursuant to Section 10, unless Buyer otherwise consents in writing in advance (not to be unreasonably withheld, conditioned or delayed), ADMA BioCenters shall use commercially reasonable efforts to: (x) operate the ADMA BioCenters Business in the Ordinary Course of Business and (y) preserve in all material respects the Acquired Assets (normal maintenance, wear and tear excepted) and the ADMA BioCenters Business, including all FDA licenses relating thereto and including using commercially reasonable efforts to:

1) maintain, preserve and retain good relationships with suppliers, customers, landlords and others having material business relationships with the ADMA BioCenters Business;

2) maintain the Acquired Assets in substantially similar condition and repair in all material respects in the Ordinary Course of Business (normal maintenance, wear and tear excepted), maintain in full force and effect, its insurance policies (or any new or successor policy of substantially similar coverage) for purposes of the Acquired Assets and, in the event of a casualty, loss or damage to any Acquired Asset prior to the Closing Date, either repair such Acquired Asset so it is in substantially similar or better condition in the Ordinary Course of Business than immediately prior to such casualty, loss or damage, or replace such Acquired Asset with an asset of the same kind and quality or, if Buyer agrees, in its sole discretion, transfer the proceeds under any insurance policy (together with the amount of any deductible or self-insured retention) to Buyer at the Closing;

3) maintain levels of inventory relating to the ADMA BioCenters Business, including plasma and softgoods (testing kits, samples, paper tissue, supplies, etc.), in the Ordinary Course of Business; provided that it is hereby acknowledged and agreed that it shall not be a breach of this covenant if inventory levels are negatively impacted by market or other competitive conditions;

4) continue to make capital expenditures relating to the ADMA BioCenters Business in the Ordinary Course of Business;

5) maintain in full force and effect all material Business Intellectual Property and registrations and applications therefor, other than abandonments, lapses or expirations of Business Intellectual Property in the Ordinary Course of Business;

6) comply with all material requirements of applicable Laws and all material contractual obligations of the ADMA BioCenters Business; and

7) prepare, in the Ordinary Course of Business, and timely file all Tax Returns relating to the ADMA BioCenters Business and the Acquired Assets required to be filed by it and pay all material Taxes relating to the ADMA BioCenters Business and the Acquired Assets as such Taxes become due and payable in the Ordinary Course of Business.

(ii) During the period from the Execution Date until the earlier of the Closing Date and the termination of this Agreement pursuant to Section 10, except as set forth on Schedule 8(a)(ii) or except as necessary to perform its obligations under Section 8.a(i), as expressly contemplated in this Agreement, or as consented to in writing by Buyer (not to be unreasonably withheld, conditioned or delayed), ADMA BioCenters shall not, solely with respect to the Acquired Assets, the Assumed Liabilities, or the ADMA BioCenters Business, as the case may be:

1) amend (whether by merger, consolidation or otherwise) the Certificate of Incorporation or Bylaws of ADMA BioCenters in a manner that would reasonably be expected to interfere with the ability of ADMA BioCenters to consummate the transactions contemplated hereby;

2) grant or announce any increase in the salaries, bonuses or other cash or equity compensation payable by Seller, or otherwise enter into, amend or modify any employment or severance or other agreement or arrangement, to any of the Employees, other than (A) as required by Law, (B) pursuant to any Seller Plans, programs or agreements existing on the Execution Date, (C) amounts due from Seller at or prior to the date hereof, or (D) in the Ordinary Course of Business;

3) cancel or waive any material rights, or pay, discharge, settle or compromise any material Actions, in each case, relating to the ADMA BioCenters Business or the Acquired Assets;

4) to the extent related to the ADMA BioCenters Business or the Acquired Assets, (x) adversely alter its customary practices with respect to collection of Accounts Receivable and payment of Accounts Payable of the ADMA BioCenters Business or related billing practices, (y) amend, modify or change in any material respect inventory management practices, or (z) make any material change to its customer pricing, including with respect to the provision of discounts, rebates or allowances, or engage in any promotional sales activity, in each case outside of the Ordinary Course of Business or in a manner that could reasonably be expected to materially interfere with the Buyer's conduct of the Acquired Centers following the Closing;

5) sell, lease, license, transfer, convey title (in whole or in part), dispose of any interest in or grant any right to any of the Acquired Assets, other than sales of inventory in the Ordinary Course of Business, grants of licenses to Business Intellectual Property in a manner that will not conflict with Buyer's rights under the IP License, or pursuant to any Assigned Contract as in effect as of the Execution Date, or except as provided in Section 8.a(ii)(10), permit or allow any of the Acquired Assets to be subjected to any Encumbrances other than Permitted Encumbrances or any Encumbrances that exist on the Execution Date or which will be removed at or prior to the Closing;

6) terminate, cancel, modify, amend, fail to renew or renew any Acquired Center Lease or any Assigned Contract or otherwise waive, release or assign any material rights, claims or benefits thereto;

7) enter into any Assigned Contract that would be required to be disclosed on Schedule 1(a)(v) or that has a term greater than one (1) year and a total value of $100,000 or more;

8) fail to maintain in full force and effect any Seller insurance policy in effect covering the ADMA BioCenters Business, except for any Seller insurance policy replaced by a new or successor policy of substantially similar coverage;

9) make any material changes to the material technology infrastructure (other than normal repairs, replacements, maintenance or version updates) in connection with the ADMA BioCenters Business or the Acquired Assets;

10) incur any Indebtedness that creates an Encumbrance on the Acquired Assets, other than in the Ordinary Course of Business, Permitted Encumbrances or Encumbrances that will be removed at or prior to the Closing;

11) enter into any hedging or similar transaction in connection with the ADMA BioCenters Business or the Acquired Assets;

12) agree to take any of the actions specified in this Section 8.a(ii), except as expressly contemplated by this Agreement;

13) if such action would reasonably be expected to have a material and adverse impact on the ADMA BioCenters Business or the Acquired Assets following the Closing, make or rescind any election relating to Taxes with respect to the ADMA BioCenters Business or the Acquired Assets; or

14) make any change in any methods or policies or systems of internal accounting controls, keeping of books of account, accounting practices, or material method of Tax accounting, in each case relating to the ADMA BioCenters Business or the Acquired Assets, unless required by GAAP (under applicable authoritative accounting pronouncements) or applicable Law.

(iii) Each Party acknowledges and agrees that:

1) nothing in this Agreement shall give Buyer, directly or indirectly, the right to control or direct Seller's operation of the ADMA BioCenters Business prior to Closing;

2) Buyer shall be obligated to respond to Seller's request for consent to take any actions pursuant to Sections 8.a(ii)(6) or 8.a(ii)(7) within three (3) Business Days, and if Buyer fails to respond within such time period, Buyer shall be deemed to have consented to such request; and

3) prior to Closing, Seller shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its operations.

b. Updates.

(i) Updates to Schedules. During the period from the Execution Date and the earlier of the Closing Date and the termination of this Agreement pursuant to Section 10, Buyer may from time to time but no more frequently than once in any six-month period request that Seller deliver to Buyer updates to the Schedules hereto (each a "Schedule Update") that are necessary to complete or correct any information in such Schedules or in any representation or warranty of Seller hereunder, in each case as a result of any change, discovery, event, effect, fact or occurrence arising or discovered after the date of this Agreement, including: (a) information necessary to update the representations and warranties and the Schedules hereto and the lists, documents and other information furnished by Seller as contemplated by this Agreement; and (b) updated copies of documents relating to or included as a part of such Schedules, in order that all such Schedules, lists, documents and other information and items shall be complete and accurate in all material respects as of the Closing Date, irrespective of any date limitations qualifying any particular Schedule hereunder. Unless Buyer exercises its termination rights pursuant to Section 10.c, if such Schedule Update relates to any change, discovery, event, effect, fact or occurrence arising or discovered after the date of this Agreement, then, provided Seller has complied with its covenants under Section 8.a, all references to the Schedules hereto shall be deemed to include the information included in the Schedule Update for all purposes of this Agreement and shall be deemed to cure any breach of a representation or warranty that might have otherwise existed hereunder by reason of the existence of such matter. For the avoidance of doubt, Buyer shall not be permitted to terminate this Agreement and it shall not otherwise be deemed a breach of this Agreement as a result of any Schedule Updates that relate to any actions permitted by or taken pursuant to Section 8.a.

(ii) *Transition Services Agreement.* During the period beginning six (6) months prior to the Closing Date and ending on the earlier of the Closing Date and the termination of this Agreement pursuant to Section 10 the ("TSA Negotiation Period"), each of Buyer and Seller shall use their good faith efforts to prepare a mutually agreeable Transition Services Agreement (the "Transition Services Agreement"), to be entered and effective as of the Closing Date, pursuant to which Buyer and Seller shall provide certain transitional services to the other Party, as specified in the Transition Services Agreement, for the period specified in the Transitional Services Agreement, in accordance with terms and conditions thereof. In conjunction with the negotiation of the Transition Services Agreement, during the TSA Negotiation Period, Buyer and Seller shall, in good faith, make mutually agreed upon updates to the Schedules hereto to reflect the services that will be provided pursuant to the Transition Services Agreement.

c. *Change of Name.* As soon as reasonably practicable, but in any event not later sixty (60) days following the Closing Date, Buyer shall effect a change of the corporate and trade names of the Acquired Centers such that the term "ADMA" is removed and/or replaced (with any such replacements not being confusingly similar to any Seller Trademark) therefrom.

d. *IP License.*

(i) Subject to this Section 8.d and the other terms and conditions of this Agreement, effective as of the Closing Date and continuing for a six (6) month period thereafter; provided that if Buyer does not have the FDA licenses necessary to operate the Acquired Centers as of the end of such six (6) month period despite using its reasonable efforts to obtain such FDA licensure, then such period shall be extended until the earlier of (x) such date Buyer obtains FDA licensure with respect to the Acquired Centers and (y) the first anniversary of the Closing Date (the "Interim License Period"), Seller hereby grants to Buyer a limited, non-exclusive, non-transferable, non-assignable, as-is license, without the right to sublicense, to use the Business Intellectual Property solely in connection with Buyer's operation of the Acquired Centers and in a manner substantially similar to Seller's operation of the ADMA BioCenters Business as conducted immediately prior to Closing, subject to maintaining the confidentiality of such Business Intellectual Property (the "IP License"). The IP License shall terminate automatically upon expiration of the Interim License Period.

(ii) Notwithstanding the foregoing, as soon as reasonably practicable after the Closing, but in any event, no later than termination of the Interim License Period, Buyer shall (1) cease all use of any Seller Trademarks on inventory of printed matter, (2) deplete the printed labeling, stationery, brochures, packaging, leaflets, forms, supplies, displays, signage, vehicles, advertising and promotional materials, manuals, and other materials existing as of the Closing that bear any Seller Trademark or remove, destroy or sticker over any Seller Trademark thereon and (3) remove all instances of Seller Trademarks from all websites, mobile applications, source codes, programs and digital materials in Buyer's ownership, possession or control (other than archival materials). Buyer shall use commercially reasonable efforts to rebrand all products and services sold, provided or offered at the Acquired Centers with a brand that does not use any Seller Trademark as soon as practicable and in any event prior to the termination of the IP License.

(iii) Any use by Buyer of any Seller Trademark during the Interim License Period shall be (1) solely in connection with goods, products and services that are (A) the type of goods, products and services with respect to which Seller was using such Seller Trademark at the time of the Closing, in all cases, solely in the operation of the Acquired Centers and specifically excluding Buyer's other businesses and (B) of a quality at least as high as the quality of goods, products and services provided by Seller in respect of the Acquired Centers immediately prior to the Closing, and (2) subject to all style and other usage guidelines in effect for such Seller Trademark immediately prior to the Closing. Without limiting the foregoing, Buyer shall not, and shall cause its Affiliates not to: (x) use or permit a third party to use any Business Intellectual Property for any purpose that does or could violate any third party rights or applicable Laws, rules or regulations and (y) not pledge, encumber or grant a security interest in the Business Intellectual Property.

(iv) All goodwill associated with the use by Buyer of any Seller Trademarks shall inure solely to the benefit of Seller or its Affiliates, as applicable. Following the Closing, neither Buyer nor any of its Affiliates shall contest the validity or ownership of any Seller Trademark or adopt or employ the Seller Trademark (or any variation or derivative thereof) or any other mark that is confusingly similar thereto (other than the limited use permitted under the IP License). All rights not expressly granted herein are reserved by Seller.

e. *Access to Records.* After the Closing Date, Seller, on the one hand, and Buyer, on the other hand, shall make available to each other Party and its Affiliates and Representatives during normal business hours when reasonably requested, all records exclusively related to the Acquired Centers in its possession and shall preserve all such information, records and documents until the later of: (i) six (6) years after the Closing; (ii) the expiration of all statutes of limitations for assessing or collecting taxes for periods ending on or prior to the Closing and periods including the Closing Date, including extensions thereof applicable to Seller or Buyer; or (iii) the required retention period under any applicable Laws for all such information, records or documents (it being understood that the Parties shall not be required to provide any Tax Returns to any Person, other than as required by applicable Laws). Buyer and Seller shall also make available to each other during normal business hours, when reasonably requested, personnel responsible for preparing or maintaining information, records and documents, in connection with tax matters, governmental contracts, litigation or potential litigation, each as it relates exclusively to the Acquired Centers, Acquired Assets or Assumed Liabilities prior to the Closing Date (with respect to Seller) or from and after the Closing Date (with respect to Buyer); *provided*, *however*, that such access shall not unreasonably interfere with the providing Party's business and operations in the ordinary course of business.

f. *Taxes*.

(i) All Transfer Taxes shall be shared equally between Buyer and Seller. Seller and Buyer shall cooperate in timely making all filings, returns, reports and forms as may be required to comply with the provisions of applicable Law in connection with the payment of any such Transfer Taxes and to obtain a reduction in such Transfer Taxes.

(ii) Taxes imposed with respect to the Acquired Centers and the Acquired Assets with respect to Post-Closing Tax Periods shall be allocated to Buyer, and the remainder of such Taxes shall be allocated to Seller. The amount of any Taxes for a Straddle Period based on or measured by income, gains, receipts or sales that are allocable to the Pre-Closing Tax Period shall be determined based on an interim closing of the books as of the end of the Closing Date, and the remainder of such Taxes for such Straddle Period shall be allocated to the Post-Closing Tax Period. The amount of other Taxes (including, without limitation, real and personal property Taxes) for a Straddle Period allocable to any Pre-Closing Tax Period shall be deemed to be the amount of such Tax for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of days in the portion of such Straddle Period ending on the Closing Date and the denominator of which is the number of days in such Straddle Period, and the remainder of such Taxes for such Straddle Period shall be allocated to the Post-Closing Tax Period.

(iii) Until the applicable statutes of limitations (including any extensions) have expired for all Tax periods or portions thereof ending on or before the Closing Date, Buyer, on the one hand, and Seller, on the other hand, shall (A) each provide the other with such assistance as may reasonably be requested by any of them in connection with any Tax, accounting or other financial reporting or services, including the preparation of any return, audit, or other examination by any taxing authority or judicial or administrative proceedings relating to any Liability for Taxes, (B) each retain and provide the other with any records or other information that may be reasonably relevant to any such Tax, accounting or other financial reporting or services, including relating to any such return, audit or examination, proceeding or determination, and (C) each provide the other with any final determination of any such audit or examination, proceeding, or determination that affects any amount required to be shown on any Tax Return of the other for any period. Buyer agrees to provide Seller reasonable access to the documents, books and records included in the Acquired Assets then in the possession of Buyer that relate to periods prior to the Closing Date for the purpose of responding to any claims made against Seller by any Person who is not a party to this Agreement with respect to Excluded Liabilities to the extent that such documents are relevant to such claim and for the purposes of preparation of any Tax Returns by Seller after the Closing and for responding to any audit by a Governmental Authority with respect to Taxes to the extent that such documents are relevant for such purposes, in all cases at Seller's expense. Seller agrees to provide Buyer reasonable access to the documents and records not included in the Acquired Assets then in the possession of Seller or its Affiliates that relate to periods prior to the Closing Date for the purpose of responding to any claims made against Buyer by any Person who is not a party to this Agreement to the extent that such documents are relevant to such claim or for any other reasonable purpose relating to Buyer's operation of the Acquired Centers after the Closing Date, in all cases at Buyer's expense. Seller and Buyer further agree, upon request, to use their best efforts to obtain any certificate or other document from any Governmental Authority or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed.

g. *License.* Seller hereby grants to Buyer, effective from and after the Closing, a non- exclusive, royalty-free license to use the Seller's license and permits solely and exclusively as it pertains to the use in the Acquired Centers and for no other purpose, which license shall automatically expire and be of no further force or effect at such time that Buyer obtains its own material licenses and permits required under applicable Law to operate the Acquired Centers. In addition, Seller hereby grants to Buyer, effective from and after the Closing, a perpetual, non-exclusive, royalty-free license to use the Seller's SOPs solely and exclusively as it pertains to the use in the Acquired Centers and for no other purpose. However, nothing herein shall be construed as limiting Seller's use of any other license, permits and/or SOPs for any application, except as required by the FDA, nor shall Seller be in any way constrained or prohibited from competing with Buyer in any territory or jurisdiction.

h. *Access to Donors*. Nothing contained in this Agreement shall preclude Seller from soliciting and accepting collection from the Acquired Centers' existing or future donors.

i. *Additional BioCenters*. At any time after the date hereof, Seller may develop a new plasma collection center (the "Additional Center") in (i) Kennesaw, Georgia or (ii) in such other location that is no less than twenty (20) miles from each of the Acquired Centers. The Parties hereto agree and acknowledge that the Additional Center shall be the sole property of Seller (including all Intellectual Property of Seller related thereto), and Buyer shall have no rights with respect thereto. Notwithstanding the foregoing, Seller agrees that except for the Additional Center, all plasma biocenters developed by Seller in Georgia following the date hereof, shall be at least twenty (20) miles from each of the Acquired Centers. Except as otherwise limited in this Section 8.i., from and after the date hereof, Seller may develop and operate any additional plasma centers in any location and taking such action shall not be a breach of any of the covenants set forth in Section 8.a.

j. *Repurchase Rights.* If at any time prior to the fifth (5th) anniversary of the Closing Date, Buyer (together with the Affiliates of Buyer) beneficially owns, in the aggregate, less than twenty percent (20%) of the issued and outstanding capital stock of ADMA Biologics (calculated both on an as-converted to common stock basis and, if any outstanding shares of capital stock of ADMA Biologics are not convertible into common stock of ADMA Biologics, on the basis of such shares' proportionate claim on the total assets of ADMA Biologics upon liquidation, dissolution or winding up of ADMA Biologics) (the "Triggering Event"), then Buyer shall promptly provide ADMA Biologics with written notice of the Triggering Event and ADMA Biologics shall have the right at any time within three (3) months of receiving such written notice from Buyer of the Triggering Event (the "Election Period") to elect by written notice to Buyer to cause Buyer to promptly transfer, convey and assign to ADMA Biologics or a subsidiary thereof its leasehold interests in either or both of the Acquired Center(s), as determined in sole discretion of ADMA Biologics, and to also sell, transfer, convey and deliver all of the other Acquired Assets relating to such Acquired Center(s) (as applicable), in each case at the fair market value of such Acquired Assets as mutually agreed in good faith by ADMA Biologics and Buyer in writing and on other terms substantially similar to the terms hereof (the "Repurchase Right"). If ADMA Biologics timely elects to exercise its Repurchase Right within the Election Period, the Parties shall act in good faith to diligently consummate the transfer, conveyance and assignment of the leasehold interest(s) in the Acquired Center(s) and the sale, transfer, conveyance and delivery of the other Acquired Assets as promptly as practicable. If ADMA Biologics and Buyer are unable to reasonably agree on the fair market value of the leasehold interest(s) and the Acquired Assets within twenty (20) Business Days of ADMA Biologic's election of its Repurchase Right hereunder, then ADMA Biologics and Buyer shall reasonably and promptly agree on the engagement of an independent third party appraiser experienced in such matters to determine such fair market value of the leasehold interest(s) in the Acquired Center(s) and the Acquired Assets; provided, that if such Parties do not reasonably agree on an appraiser, then each such Party shall choose an appraiser at its sole cost and expense and the two appraisers shall reasonably agree on a neutral and independent third appraiser who shall be the appraiser hereunder for purposes of finally determining such fair market value of the leasehold interest in the Acquired Center(s) and other Acquired Assets. To enable the appraiser to conduct the valuation, the Parties shall furnish or cause to be furnished to the appraiser such information as the appraiser may request (to the extent in the possession of such party or any of its Affiliates). The determination of such final appraiser shall be final, binding and conclusive on ADMA Biologics and Buyer, and the costs of such appraiser shall be shared equally between ADMA Biologics, on the one hand, and Buyer, on the other hand. No party shall seek recourse to courts, other tribunals or otherwise in connection with any determination of the appraiser other than as provided in the immediately following sentence. Judgment may be entered to enforce the determinations made by the appraiser in any court having jurisdiction over the party against which such determination is to be enforced. If ADMA Biologics fails to exercise its Repurchase Right within the Election Period, Buyer shall have no further obligations under this Section 8.j.

k. *Tax Treatment*. The Parties acknowledge and agree that the transactions contemplated herein and in the Master Purchase Agreement are part of the same single integrated transaction for U.S. federal income tax purposes, and any applicable state or local tax purposes, and that the provisions of Section 2.8 of the Master Purchase Agreement shall be binding on the Parties with respect to the transactions contemplated herein.

l. *Marietta Guaranty*. With respect to the guaranty of ADMA Biologics provided to the landlord (the " Marietta Landlord") under the Acquired Center Lease for the Marietta Center (the "Marietta Guaranty"), prior to the Closing Date, Buyer shall, using commercially reasonable efforts, cooperate with Seller to cause the Marietta Landlord to release ADMA Biologics from any and all obligations and liabilities under the Marietta Guaranty. Such cooperation shall be limited to providing the Marietta Landlord with a commercially reasonable replacement parent guaranty. If, despite such cooperation, the Marietta Landlord does not, at or prior to the time of Closing, so release ADMA Biologics from any and all obligations and liabilities under the Marietta Guaranty, then Buyer shall indemnify ADMA Biologics from and against the entirety of any Losses (without limitation for the Indemnification Threshold or Cap) incurred by ADMA Biologics after he Closing Date in connection with the Marietta Guaranty.

**9. Indemnification.**

a. *Survival of Representations, Warranties and Covenants.* The representations, warranties, covenants and agreements contained in this Agreement shall survive the Closing Date in accordance with the following:

(i) the representations and warranties contained in this Agreement shall survive the Closing Date for a period of fifteen (15) months; and

(ii) the covenants and agreements contained in this Agreement that require by their terms performance or compliance on or prior to the Closing Date shall survive the Closing Date for a period of fifteen (15) months, and the covenants and agreements contained in this Agreement that require by their terms performance or compliance after the Closing Date shall continue in force thereafter in accordance with their terms, or if no term is specified, indefinitely.

b. *Indemnification by Seller*.

(i) Subject to Sections 9.b(ii) and 9.h, from and after the Closing Date, Seller shall indemnify and defend Buyer, its respective Affiliates and each of their respective stockholders, Representatives, successors and permitted assigns (collectively, " Buyer Indemnitees") against, and hold them harmless to the fullest extent permitted by Law from, any and all Losses sustained or incurred by any Buyer Indemnitee, to the extent arising from, in connection with or otherwise with respect to:

1) any breach of, or any inaccuracy in, as of the date hereof or as of the Closing Date (or if expressly stated to be made as of a specified date, as of such specified date), of any representation or warranty of Seller contained in this Agreement; *provided*, *however*, that Seller shall not be required to indemnify any Buyer Indemnitee, and shall not have any liability under this Section 9.b(i)(1) to the extent the liability or obligation is directly caused by any action taken or omitted to be taken by any Buyer Indemnitee;

2) any breach of any covenant or agreement of Seller contained in this Agreement; and

3) any Excluded Asset or Excluded Liability.

(ii) Seller shall have no indemnification obligations hereunder unless and until the aggregate amount of Losses incurred or suffered by the Buyer Indemnitees that Seller would otherwise be responsible for under Section 9.b(i) exceeds Seventy-Five Thousand Dollars ($75,000) (the "Indemnification Threshold"), at which time Seller shall be obligated to indemnify the Buyer Indemnitees for only such Losses in excess of the Indemnification Threshold; *provided*, *however*, that the aggregate Liability of Seller for all Losses of the Buyer Indemnitees under Section 9.b(i) shall not in any case exceed One Million Five Hundred Thousand Dollars ($1,500,000) (the "Cap"). Nothing in this Agreement (including this Section 9.b) shall be deemed to limit or restrict any of the Buyer Indemnitees' rights to maintain or recover any amounts at any time in connection with any action or claim based on actual fraud or intentional misconduct of Seller or any Affiliate of Seller. For the avoidance of doubt, Losses shall be determined with respect to either or both Acquired Centers in the aggregate for purposes of the Indemnification Threshold and Cap.

c. *Indemnification by Buyer*.

( i ) Subject to Sections 9.c(ii) and 9.h, from and after the Closing Date, Buyer shall indemnify and defend Seller, its respective Affiliates and each of their respective stockholders, Representatives, successors and permitted assigns ("Seller Indemnitees") against, and hold them harmless to the fullest extent permitted by Law from, any and all Losses sustained or incurred by any Seller Indemnitee, to the extent arising from, in connection with or otherwise with respect to:

1) any breach of, or any inaccuracy in, as of the date hereof or as of the Closing Date (or if expressly stated to be made as of a specified date, as of such specified date), any representation or warranty of Buyer in this Agreement; *provided*, *however*, that Buyer shall not be required to indemnify any Seller Indemnitee, and shall not have any liability under this Section 9.c(i)(1) to the extent the liability or obligation is directly caused by any action taken or omitted to be taken by any Seller Indemnitee;

2) any breach of any covenant or agreement of Buyer contained in this Agreement; and

3) any Assumed Liability.

(ii) Buyer shall have no indemnification obligations hereunder unless and until the aggregate amount of Losses incurred or suffered by the Seller Indemnitees that Buyer would otherwise be responsible for under Section 9.c(i) exceeds the Indemnification Threshold, at which time Buyer shall only be obligated to indemnify the Seller Indemnitees for only such Losses in excess of the Indemnification Threshold; *provided*, *however*, that the aggregate Liability of Buyer for all Losses of the Seller Indemnitees under Section 9.c(i) shall not in any case exceed the Cap. Nothing in this Agreement (including this Section 9.c) shall be deemed to limit or restrict any of the Seller Indemnitees' rights to maintain or recover any amounts at any time in connection with any action or claim based on actual fraud or intentional misconduct of Buyer or any Affiliate of Buyer.

d. *Calculation of Losses*.

(i) The amount of any Loss for which indemnification is provided under Section 9.b(i) or Section 9.c(i) shall be adjusted to take account of any net Tax cost or Tax benefit actually realized by the Indemnified Party or its Affiliates in the form of an increase or reduction in cash Taxes otherwise payable or a cash Tax refund with respect to the taxable year in which the applicable indemnification is received or any prior taxable year by the Indemnitee (or any of its Affiliates) arising from the incurrence or payment of any such Loss. If any such Tax cost or Tax benefit is incurred or received, as applicable, by an Indemnified Party after an indemnity payment with respect to a Loss has been made, the Indemnified Party shall pay to the Indemnifying Party the amount of such Tax benefit (up to the amount of the Indemnifying Party's indemnity payment) and the Indemnifying Party shall pay to the Indemnified Party the amount of such Tax cost.

(ii) The amount of Losses recoverable by an Indemnified Party under Section 9.b(i) or Section 9.c(i) shall be reduced by the amount of any payment received by such Indemnified Party (or an Affiliate thereof) from an insurance carrier or third-party indemnitor with respect to the Losses to which such claim for indemnification relates, net of the cost of collection and any increase in insurance cost directly resulting from such recovery. If an Indemnified Party (or an Affiliate thereof) receives any insurance payment or third-party indemnity payment with respect to any claim for Losses for which it previously received indemnification from the Indemnifying Party, it shall pay to the Indemnifying Party within thirty (30) days of receiving such insurance payment or third-party indemnity payment the amount of such insurance payment or third-party indemnity payment.

(iii) Any indemnity payment under Section 9.b(i) or Section 9.c(i) shall be treated as an adjustment to the Purchase Price to the maximum extent allowable under applicable Law.

e. *Termination of Indemnification***.** The obligations of any Indemnifying Party to indemnify and hold harmless any Indemnified Party shall terminate: (a) pursuant to Section 9.b(i) or Section 9.c(i), on the first anniversary of the Closing Date and (b) pursuant to the other clauses of Section 9.b and Section 9.c, if at all, at the times specified therein or in Section 9.a with respect thereto; *provided*, *however*, that such obligations to indemnify and hold harmless shall not terminate with respect to any item as to which an Indemnified Party shall have, before the expiration of the applicable period noted above, previously made a claim by delivering written notice to the Indemnifying Party of such claim in accordance with the terms of Section 9.f to Indemnifying Party.

f. *Indemnification Procedures*.

(i) In order for any Buyer Indemnitee or Seller Indemnitee (each, an "Indemnified Party") to be entitled to any indemnification provided for under this Agreement in respect of, arising out of or involving an Action by any third Person against the Indemnified Party (a "Third-Party Claim"), such Indemnified Party must notify the Party which may be required to indemnify the Indemnified Party therefor (the "Indemnifying Party") of such Third-Party Claim in writing (and stating in reasonable detail in light of circumstances then known to such Indemnified Party the basis of such Third-Party Claim) promptly after receipt by such Indemnified Party of notice of the Third-Party Claim; provided, however, that failure by such Indemnified Party to give such notification shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent the Indemnifying Party (i) demonstrates that it has been actually and materially prejudiced as a result of such failure or (ii) forfeits any rights or defenses that would otherwise have been available to the Indemnifying Party but for such failure. Thereafter, to the extent legally permissible, the Indemnified Party shall deliver to the Indemnifying Party, within five (5) Business Days after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third-Party Claim.

(ii) If a Third-Party Claim is made against an Indemnified Party, the Indemnifying Party shall be entitled to participate in the defense thereof and, if it so chooses, to assume the defense thereof with counsel selected by the Indemnifying Party. Should the Indemnifying Party so elect to assume the defense of a Third-Party Claim, the Indemnifying Party shall not be liable to the Indemnified Party for any legal expenses subsequently incurred by the Indemnified Party in connection with the defense thereof. If the Indemnifying Party assumes such defense, the Indemnified Party shall have the right to participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Indemnifying Party, it being understood that the Indemnifying Party shall control such defense. The Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof (other than during any period in which the Indemnified Party shall have failed to give notice of the Third-Party Claim as provided above); *provided*, *however*, that the Indemnifying Party will not be required to pay the fees and expenses of more than one counsel for all Indemnified Parties in any jurisdiction in any single Third-Party Claim. If the Indemnifying Party chooses to defend or prosecute a Third-Party Claim, all the Indemnified Parties shall reasonably cooperate in the defense or prosecution thereof. Such cooperation shall include the retention and (upon the Indemnifying Party's request) the provision to the Indemnifying Party of records and information that are reasonably relevant to such Third- Party Claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Whether or not the Indemnifying Party assumes the defense of a Third-Party Claim, the Indemnified Party shall not admit any liability with respect to, or settle, compromise or discharge, such Third-Party Claim without the Indemnifying Party's prior written consent (which consent shall not be unreasonably withheld). If the Indemnifying Party assumes the defense of a Third-Party Claim, the Indemnified Party shall agree to any settlement, compromise or discharge of a Third-Party Claim that the Indemnifying Party may recommend and that by its terms obligates the Indemnifying Party to pay the full amount of the liability in connection with such Third-Party Claim, which releases the Indemnified Party completely in connection with such Third-Party Claim and that would not otherwise adversely affect the Indemnified Party.

(iii) Notwithstanding Section 9.f(ii), the Indemnifying Party shall not be entitled to control, and the Indemnified Party shall be entitled to have sole control over, the defense or settlement of any claim if any of the following conditions are not satisfied:

1) the Indemnifying Party must diligently defend such proceeding;

2) the Indemnifying Party must furnish the Indemnified Party with evidence reasonably satisfactory to the Indemnified Party that the financial resources of the Indemnifying Party, in the Indemnified Party's reasonable judgment, are and will be sufficient (when considering Losses in respect of all other outstanding claims) to satisfy any Losses relating to such proceeding;

3) such Third-Party Claim shall not involve criminal actions or allegations of criminal conduct by the Indemnified Party, and shall not involve Actions for specific performance or other equitable relief against the Indemnified Party;

4) such Third-Party Claim would reasonably be expected to have a Material Adverse Effect on the Indemnified Party's business or relates to its customers, suppliers, vendors or other service providers; and

5) there does not exist, in the Indemnified Party's good faith judgment based on the advice of outside legal counsel, a conflict of interest which, under applicable principles of legal ethics, would reasonably be expected to prohibit a single legal counsel from representing both the Indemnified Party and the Indemnifying Party in such Third-Party Claim.

(iv) In the event any Indemnified Party should have a claim against any Indemnifying Party under Section 9.b(i) or Section 9.c(i) that does not involve a Third-Party Claim being asserted against or sought to be collected from such Indemnified Party, the Indemnified Party shall deliver notice of such claim with reasonable promptness to the Indemnifying Party and in any event prior to the expiration of the underlying representations and warranties, if applicable. Such notice shall describe the claim in reasonable detail, and shall indicate the estimated amount, if reasonably practicable, of the Losses that have been or may be sustained by the Indemnified Party in respect of such claim. The failure by any Indemnified Party so to notify the Indemnifying Party shall not relieve the Indemnifying Party from any liability that it may have to such Indemnified Party under Section 9.b(i) or Section 9.c(i), except to the extent that the Indemnifying Party (i) demonstrates that it has been actually and materially prejudiced by such failure, or (ii) forfeits any rights or defenses that would otherwise have been available to the Indemnifying Party but for such failure. If the Indemnifying Party disputes its liability with respect to such claim, the Indemnifying Party and the Indemnified Party shall proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations, such dispute shall be brought and determined exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware), in accordance with Section 19.

g. *Sole Remedy; No Additional Representations*. Except as otherwise specifically provided herein and other than claims of, or causes of action arising from, fraud or willful misconduct (a) each of Buyer and Seller acknowledges and agrees that its sole and exclusive remedy after the Closing Date with respect to any and all claims and causes of action relating to this Agreement, the Acquired Assets and the Assumed Liabilities and Excluded Liabilities shall be pursuant to the indemnification provisions set forth in this Section 9 or as provided in Sections 19 or 25.

h. *Limitations on Liability*.

(i) Seller and Buyer shall reasonably cooperate with each other in resolving any claim or liability with respect to which one Party is obligated to indemnify the other under this Agreement, including by making commercially reasonable efforts to mitigate or resolve any such claim or liability.

(ii) Upon making any payment to an Indemnified Party in respect of any Losses, the Indemnifying Party, shall to the extent of such payment, be subrogated to all right of the Indemnified Party against any third party in respect of the Losses to which such payment relates. Such Indemnified Party and Indemnifying Party shall execute upon request all instrument reasonably necessary to evidence or further perfect such subrogation rights.

(iii) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO PARTY TO THIS AGREEMENT SHALL BE LIABLE TO OR OTHERWISE RESPONSIBLE TO THE OTHER PARTY OR ANY AFFILIATE OF THE OTHER PARTY FOR LOST REVENUES OR PROFITS OR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR MULTIPLIED DAMAGES THAT ARISE OUT OF OR RELATE TO THIS AGREEMENT OR ANY ANCILLARY AGREEMENT OR THE PERFORMANCE OR BREACH HEREOF OR THEREOF OR ANY LIABILITY RETAINED OR ASSUMED HEREUNDER OR THEREUNDER, EXCEPT TO THE EXTENT THAT SUCH DAMAGES WERE AWARDED OR PAID TO A THIRD PARTY PURSUANT TO A THIRD PARTY CLAIM.

**10. Termination**.

a. This Agreement may be terminated at any time at or prior to the Closing:

(i) by mutual written consent of the Parties; or

(ii) by written notice by Seller or Buyer, if any Governmental Authority of competent jurisdiction shall have enacted, promulgated, enforced or entered any order, or taken any other action which, in either such case, has become final and non-appealable and has the effect of making consummation of the transactions contemplated hereunder illegal or otherwise permanently preventing or prohibiting consummation of such transactions; provided, however, that the provisions of this Section 10.a(ii) shall not be available to any Party whose failure to fulfill any of its covenants, agreements or obligations under this Agreement has been a principal cause of, or resulted in such order.

b. This Agreement may be terminated by Seller by written notice to Buyer if at any time at or prior to the Closing, there shall have been an inaccuracy in or breach in any material respect by Buyer of any representation or warranty of Buyer (without regard to any materiality or similar qualifiers contained within such representations and warranties), or a breach by Buyer of any material covenant or agreement of Buyer, in each case set forth in this Agreement; *provided*, *however*, that the provisions of this Section 10.b shall not be available to Seller if Seller is then in material breach of any of its representations, warranties, covenants or agreements contained in this Agreement.

c. This Agreement may be terminated by Buyer by written notice to Seller if at any time at or prior to the Closing, there shall have been (i) an inaccuracy in or breach by Seller of any of Seller's representations and warranties in Section 6.q, (ii) an inaccuracy in or breach in any material respect by Seller of any other representation or warranty of Seller (without regard to any materiality or similar qualifiers contained within such representations and warranties), or (iii) a breach by Seller of any material covenant or agreement of Seller, in each case set forth in this Agreement; *provided*, *however*, that the provisions of this Section 10.c shall not be available to Buyer if Buyer is then in material breach of any of its representations, warranties, covenants or agreements contained in this Agreement.

d. Upon termination of this Agreement in accordance with this Section 10, this Agreement shall, to the fullest extent permitted by applicable Law, become void and of no further force or effect, and except as expressly provided herein, there shall be no Liability on the part of the Parties or their respective direct or indirect equity holders, Affiliates or Representatives. Termination of this Agreement shall terminate all outstanding Liabilities between the Parties arising from this Agreement. Notwithstanding the foregoing, no termination of this Agreement shall release or be construed as releasing any Party from any Liability to another Party for any Losses arising from or relating to a Willful and Material Breach of this Agreement or fraud which may have arisen under this Agreement prior to termination of this Agreement.

**11.** **Time of the Essence**. The Parties acknowledge and agree that time is of the essence as to each and every provision of this Agreement.

**12.** **Notices**. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given (a) when received if delivered personally, (b) when transmitted by facsimile (with confirmation of transmission) or by e-mail (upon confirmation of receipt), (c) upon receipt, if sent by registered or certified mail (postage prepaid, return receipt requested) and (d) the day after it is sent, if sent for next-day delivery to a domestic address by overnight mail or courier, to the Parties at the following addresses:

If to Seller:

ADMA Biologics, Inc.
465 Route 17S
Ramsey, NJ 07446
Attention: Chief Executive Officer
Facsimile: (201) 478-5553
Email: agrossman@admabio.com

Copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064
Attention: Ariel J. Deckelbaum, Esq.
Facsimile: (212) 757-3990
Email: ajdeckelbaum@paulweiss.com

If to Buyer:

Biotest Pharmaceuticals Corporation
5800 Park of Commerce Blvd., N.W.
Boca Raton, FL 33487
Facsimile: 561-989-5801
Emails: icarlisle@biostestpharma.com
martin.reinecke@biotest.com
Attn: Legal Department

Copies to:

Biotest AG Landsteinerstr. 5
63303 Dreieich
Germany Facsimile:
Email:
Attn: Legal Department

Greenberg Traurig, LLP
3333 Piedmont Road, NE
Suite 2500
Atlanta, Georgia 30305
Attention: Wayne Elowe, Esq.
Facsimile: 678.553.2453
Email: elowew@gtlaw.com

*provided*, *however*, that if any Party shall have designated a different address by notice to the others, then to the last address so designated.

**13. Amendments**. No amendments or other changes to this Agreement shall be effective or binding on either Party unless the same shall be in writing and signed by Seller and Buyer.

**14. Waiver**. The failure of any Party to enforce any condition or part of this Agreement at any time shall not be construed as a waiver of that condition or part, nor shall it forfeit any rights to future enforcement thereof.

**15. No Third Party Beneficiaries**. Except as otherwise set forth hereunder, this Agreement is solely for the benefit of the Parties hereto and their respective Affiliates and no provision of this Agreement shall be deemed to confer upon any Person, other than the Parties, the Buyer Indemnitees and the Seller Indemnitees any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

**16. Expenses**. Except as otherwise provided in this Agreement, each Party shall be solely responsible for all expenses incurred by it in connection with the negotiation, drafting and execution of, and the transactions contemplated by, this Agreement (including without limitation fees and expenses of its counsel and consultants).

**17. Assignment**. This Agreement may not be assigned by operation of law or otherwise without the express written consent of Seller and Buyer (which consent may be granted or withheld in the sole discretion of Seller or Buyer), except that Buyer may assign it rights (without relieving it of its obligations) under this Agreement without Seller's consent to any Affiliate of Buyer.

**18. Counterparts**. This Agreement may be executed by the Parties manually or by facsimile or other means of electronic transmission, in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement, any and all agreements and instruments executed and delivered in accordance herewith, along with any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or other means of electronic transmission, shall be treated in all manner and respects and for all purposes as an original signature, agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

**19. Governing Law**. This Agreement (including any claim or controversy arising out of or relating to this Agreement) shall be governed by the Law of the State of Delaware without regard to conflict of Law principles that would result in the application of any Law other than the Laws of the State of Delaware. Each of the Parties irrevocably agrees that any Action with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder brought by the other Party hereto or its successors or assigns, shall be brought and determined exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware). Each of the Parties irrevocably submits with regard to any such Action for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any Action relating to this Agreement, any of the instruments, documents and certificates contemplated hereby or any of the transactions contemplated hereunder in any court other than the aforesaid courts. Each of the Parties irrevocably waives, and agrees not to assert as a defense, counterclaim or otherwise, in any Action with respect to this Agreement, (i) any claim that it is not personally subject to the jurisdiction of the above named courts for any reason other than the failure to serve in accordance with this Section 19, (ii) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (iii) to the fullest extent permitted by applicable Law, any claim that (A) the Action in such court is brought in an inconvenient forum, (B) the venue of such Action is improper or (C) this Agreement, any of the instruments, documents and certificates contemplated hereby, or the subject matter hereof, may not be enforced in or by such courts. The Parties consent to and grant any of the aforesaid courts' jurisdiction over the person of such Parties and over the subject matter of such dispute. Each of the Parties irrevocably appoints Corporation Service Company as its agent for the sole purpose of receiving service of process or other legal summons in connection with any such Action brought in such courts and agrees that it will maintain Corporation Service Company at all times as its duly appointed agent in the State of Delaware for the service of any process or summons in connection with any such Action brought in such courts and, if it fails to maintain such an agent during any period, any such process or summons may be served on it by mailing a copy of such process or summons to it in accordance with, and in the manner provided in Section 12 hereof, with such service deemed effective on the fifth (5th) day after the date of such mailing. The Parties agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law.

**20. Entire Agreement**. This Agreement and the Master Purchase Agreement and the ancillary agreements hereto and thereto constitutes the entire understanding and agreement between the Parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous negotiations, understandings and agreements (whether oral or written) relating thereto.

**21. No Set-Off**. No Party shall have the right to set off any amount to which such Party is entitled hereunder for indemnification or otherwise against any payment such Party is required to make under the Master Purchase Agreement.

**22. Construction**. The language in all parts of this Agreement shall be construed, in all cases, according to its fair meaning. The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement. If the last day for the giving of any notice or the performance of any action required or permitted under this Agreement is a day that is not a Business Day, then the time for the giving of such notice or the performance of such action shall be extended to the next succeeding Business Day. For purposes of this Agreement, "Business" Day means any day other than a Saturday, a Sunday or a day on which banks in New York, New York, United States of America are authorized or obligated by Law to be closed.

**23.** **Headings**. The headings of the Sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part hereof.

**24.** **Severability**. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy such determination shall not affect the enforceability of any others or of the remainder of this Agreement.

**25.** **Injunctive Relief**. The Parties agree that if any provision of this Agreement is not performed in accordance with its terms or is otherwise breached, irreparable harm will occur, no adequate remedy at Law will exist and damages would be difficult to determine. Accordingly, notwithstanding anything to the contrary in this Agreement, the Party or Parties not in breach will have the right to seek temporary injunctive relief in any court of competent jurisdiction as may be available to such Party under the Laws and rules applicable in such jurisdiction with respect to any matters arising out of another Party's performance of its obligations under this Agreement. The Parties agree that in the event another Party institutes an appropriate action seeking injunctive/equitable relief for specific performance under this Agreement, the Party seeking such relief shall not be required to provide the other Parties with service of process of a complaint and summons under the procedures set forth in any German or other non-United States judicial process or system. Under such circumstances, the Party seeking such relief need only provide the other Parties with two copies of a true, correct and lawfully issued summons and complaint, via Federal Express (priority delivery).

**26.** **Waiver of Jury Trial** . EACH PARTY (I) ACKNOWLEDGES AND AGREES THAT ANY ACTION THAT MAY ARISE UNDER OR RELATE TO THIS AGREEMENT, ANY OF THE INSTRUMENTS, DOCUMENTS OR CERTIFICATES CONTEMPLATED HEREBY OR THE TRANSACTION CONTEMPLATED HEREBY IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND (II) HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OF THE INSTRUMENTS, DOCUMENTS OR CERTIFICATES CONTEMPLATED HEREBY OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY (A) CERTIFIES AND ACKNOWLEDGES THAT NO REPRESENTATIVE OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) CERTIFIES AND ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION OF THIS AGREEMENT, (C) UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER AND (D) MAKES THIS WAIVER VOLUNTARILY.

**27.** **Schedules**. The Schedules hereto are hereby incorporated in and made a part of this Agreement as if set forth in full herein. The Schedules contain information required to be disclosed pursuant to, and certain exceptions to, the representations and warranties or the covenants and agreements set forth in this Agreement. Nothing in this Agreement or in the Schedules constitutes an admission that any information disclosed, set forth or incorporated by reference in the Schedules or in this Agreement is material, constitutes a Material Adverse Effect, or is otherwise required by the terms of this Agreement to be so disclosed, set forth or incorporated by reference. No disclosure in the Schedules relating to any possible breach or violation of any Contract, registration or Law shall be construed as an admission or indication to any third party that any such breach or violation exists or has actually occurred. Any disclosure set forth in any particular Schedule will be deemed disclosed for any other Schedule to the extent that the relevance of such item is reasonably apparent on the face of such disclosure.

*[Signature page follows]*

**IN WITNESS WHEREOF,** the Parties hereto have caused this Purchase Agreement to be executed by their respective duly authorized officers as of the date first above written.

**ADMA BIOLOGICS, INC.**

By: /s/ Adam Grossman
Name: Adam Grossman
Title: President and Chief Executive Officer

**ADMA BIO CENTERS GEORGIA INC.**

By: /s/ Adam Grossman
Name: Adam Grossman
Title: Chief Executive Officer

[Signature page to Biocenters Purchase Agreement]

**IN WITNESS WHEREOF,** the Parties hereto have caused this Purchase Agreement to be executed by their respective duly authorized officers as of the date first above written.

**BIOTEST PHARMACEUTICALS CORPORATION**

By: /s/ Ileana Carlisle
Name: Ileana Carlisle
Title: Chief Executive Officer

**Annex A**

**Definitions**

"Accounts Payable" means all accounts payable of Seller or any of its Affiliates with respect to the ADMA BioCenters Business, whether or not billed, arising prior to the Closing.

"Accounts Receivable" means all accounts receivable of Seller or any of its Affiliates with respect to the ADMA BioCenters Business, and any unpaid interest, penalties or fees accrued on any such receivables, including any payments received with respect thereto after the Closing, the rights to which accrued in the Ordinary Course of Business prior to the Closing.

"Action" means any claim, action, demand, suit, arbitration, hearing, charge, complaint, inquiry, audit, proceeding, investigation, examination, litigation, notice or review by or before any Governmental Authority, arbitrator or arbitral panel.

"ADMA BioCenters Business" means the source plasma collection business currently operated by ADMA BioCenters at the Acquired Centers.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling or Controlled by, or under direct or indirect common Control with, such Person. For purposes of this definition, the term "Control," when used with respect to any specified Person, means the power to direct or cause the direction of the management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "Controlling" and "Controlled" have correlative meanings. For the avoidance of doubt, none of Biotest AG or any of its Subsidiaries shall be deemed an Affiliate of ADMA Biologics, Seller or any of their respective Subsidiaries from and after the date hereof for purposes of this Agreement.

"Business Day" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York, United States of America are authorized or obligated by Law to be closed.

"Business Intellectual Property" means any Intellectual Property that is owned by Seller and used or held for use by Seller in connection with the ADMA BioCenters Business.

"Code" means the United States Internal Revenue Code of 1986, as amended. "Control" has the meaning set forth in the definition of "Affiliate".

"Encumbrance" means any security interest, pledge, hypothecation, mortgage, lien, right of others, Action, lease, sublease, license, occupancy agreement, adverse claim or interest, easement, covenant, encroachment, burden, title defect, title retention agreement, voting trust agreement, interest, equity, option, right of first refusal, charge, encumbrance or other restriction or limitation of any nature whatsoever.

"GAAP" means United States generally accepted accounting principles.

"Governmental Authority" means any nation or government, any federal, national, provincial, state, regional, local or other political subdivision thereof, any supranational organization of sovereign states, and any entity, department, commission, bureau, agency, authority, board, court, official or officer, domestic or foreign, exercising executive, judicial, regulatory or administrative functions of or pertaining to government.

"Indebtedness" means, as to any Person, without duplication, (a) all obligations of such Person for borrowed money, including accrued interest thereon (including reimbursement and all other obligations with respect to surety bonds, letters of credit and bankers' acceptances, whether or not matured), (b) any Liability of such Person for overdrafts and outstanding checks, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable and accrued expenses arising in the Ordinary Course of Business, (d) all interest rate, commodity and currency swaps, caps, collars and similar agreements or hedging devices under which payments are obligated to be made by such Person, whether periodically or upon the happening of a contingency, (e) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (f) all obligations of such Person under leases which have been or should be, in accordance with GAAP, recorded as capital leases, (g) all indebtedness secured by any Encumbrance on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is non- recourse to the credit of that Person and (h) any contingent obligation of such Person. Indebtedness shall also include accrued interest and any pre-payment penalties, "breakage costs," redemption fees, costs and expenses or premiums and other amounts owing pursuant to the instruments evidencing Indebtedness, assuming that such Indebtedness is repaid on the Closing Date, whether or not paid at the Closing.

"Intellectual Property" means any intellectual property rights, as they exist anywhere in the world, whether registered or unregistered, and all applications, renewals, extensions and registrations therefor, including (i) trademarks, service marks, service names, brand names, designs, logos, trade names, trade dress rights, corporate names, source or business identifiers, and internet domain name registrations ("Trademarks") and (ii) copyrights, works of authorship, patents and patent rights, software, know-how, confidential information, trade secrets, inventions, discoveries, analytic models, improvements, processes, techniques, devices, methods, patterns, formulations and specifications and any other intellectual property or proprietary rights of any kind, nature or description, in all cases, together with the goodwill associated with any of the foregoing.

"Knowledge" means, (i) with respect to Seller, the actual knowledge of the Persons set forth on Schedule A, after reasonable due inquiry, and (ii) with respect to Buyer, the actual knowledge of the Persons set forth on Schedule A, after reasonable due inquiry.

"Law" means each provision of any currently existing federal, provincial, state, local or foreign law, statute, ordinance, order, code, requirement, rule or regulation, promulgated or issued by any Governmental Authority, as well as any judgments, decrees, injunctions or agreements issued or entered into by any Governmental Authority.

"Liability" means, collectively, any liability, indebtedness, guaranty, endorsement, claim, loss, damage, deficiency, cost, expense, obligation or responsibility, fixed or unfixed, known or unknown, choate or inchoate, liquidated or unliquidated, secured or unsecured, direct or indirect, matured or unmatured, due or to become due, or absolute, contingent or otherwise, including any products liability.

"Losses" means, with respect to any claim or matter, all losses, expenses, obligations, Taxes and other Liabilities or other damages (whether absolute, accrued, contingent, fixed or otherwise, or whether known or unknown, or due or to become due or otherwise), diminution in value, monetary damages, fines, fees, penalties, interest obligations, deficiencies, losses and expenses (including amounts paid in settlement, interest, court costs, costs of investigators, fees and expenses of attorneys, accountants, financial advisors and other experts, and other expenses of litigation).

"Material Adverse Effect" means any change or effect that is materially adverse to the business of the Acquired Centers taken as a whole, but shall exclude any change, effect or circumstance resulting or arising from: (a) events, circumstances, changes or effects that generally affect the industries in which Seller operates (including the pharmaceutical and blood-related products industries), (b) general economic or political conditions or events, circumstances, changes or effects affecting the securities markets generally, (c) changes caused by a material worsening of current conditions caused by acts of terrorism or war (whether or not declared) occurring after the date hereof, (d) changes arising from the consummation of the transactions contemplated under this Agreement or the announcement of the execution of this Agreement, including (i) any actions of competitors, (ii) any actions taken by or losses of employees, or (iii) any delays or cancellations of orders for products or services, (e) any reduction in the price of products in response to the reduction in price of comparable products offered by a competitor or potential competitor, (f) any change in accounting practices or policies of Seller as required by GAAP, (g) any announcement, ruling or determination by any Governmental Authority with respect to the status of a regulatory approval, (h) any changes in Law, (i) any circumstance, change or effect that results from any action taken pursuant to or in accordance with this Agreement or at the request of Buyer, and (j) any failure to meet any projections, forecasts, guidance, estimates, milestones, budgets or financial or operating predictions of revenue, earnings, cash flow or cash position (*provided*, that the underlying causes of such failure may, if they are not otherwise excluded from the definition of "Material Adverse Effect," be taken into account in determining whether a Material Adverse Effect has occurred).

"Ordinary Course of Business" means the ordinary course of business of Seller with respect to the ADMA BioCenters Business as conducted by Seller consistent with past custom and practice.

"Person" means any individual, corporation, partnership, joint venture, limited liability company, trust or unincorporated organization or Governmental Authority.

"Plans" means (i) all employee benefit plans as defined in Section 3(3) of ERISA; (ii) all other pension, retirement, profit sharing, group insurance, employment, severance pay, deferred compensation, excess or supplemental benefit, vacation, stock, stock option, phantom stock or other equity-based compensation, bonus, change-in-control, retention, salary continuation, sick leave, disability, death benefit, group insurance, hospitalization, medical, dental, life, Section 125 "cafeteria" or "flexible" benefit, employee loan, educational assistance, fringe benefit and incentive plans, contracts, schemes, programs, funds, commitments, agreements, policies, practices, or arrangements of any kind; and (iii) all other plans, contracts, schemes, programs, funds, commitments, agreements, policies, practices or arrangements providing money, services, property, or other benefits, whether written or oral, formal or informal, qualified or nonqualified, funded or unfunded, and including any that have been frozen or terminated.

"Post-Closing Tax Period" means any taxable period beginning after the Closing Date and the portion of a Straddle Period for which Taxes are allocated to Buyer as set forth in Section 8.f.

"Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and the portion of a Straddle Period for which Taxes are allocated to the Seller as set forth in Section 8.f.

"Representatives" means, with respect to any Person, the current or former directors, officers, managers, employees, independent contractors, agents, attorneys, advisors, accountants, auditors, consultants and other representatives of such Person.

"Seller Plan" means all Plans under which any current or former Employee has accrued any benefit or right whatsoever maintained by, contributed to or required to be contributed to by Seller or as to which Seller has any Liability.

"Straddle Period" means any Tax period commencing on or before the Closing Date and ending after the Closing Date.

"Tax" or "Taxes" means any and all (i) taxes, assessments, levies, tariffs, duties, fees or other charges or impositions in the nature of a tax (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any Governmental Authority, including income, estimated income, gross receipts, profits, business, license, occupation, franchise, production, capital stock, real or personal property, sales, use, transfer, value added, ad valorem, employment or unemployment, social security, disability, payroll, alternative or add-on minimum, turnover, leasing, fuel, excess profits, interest equalization, severance, customs, excise, stamp, environmental, commercial rent or withholding taxes, (ii) amounts described in clause (i) above that are liabilities of a consolidated, combined, affiliated or unitary group and for which the relevant party is liable under Section 1.502-6 of the Treasury Regulations, or under any other relevant Law or applicable rule imposing joint and/or several liability for such amounts and (iii) amounts described in clauses (i) or (ii) above for which the relevant party is liable pursuant to any Tax sharing, Tax allocation, Tax indemnification or other similar agreement, other than such agreements entered into in the Ordinary Course of Business and not primarily related to Taxes.

"Tax Return" means any report, return (including any information return), claim for refund, election, estimated Tax filing or payment, request for extension, document, declaration or other information or filing required to be supplied to any Governmental Authority with respect to, or relating to, Taxes, including attachments thereto and amendments thereof.

"Transfer Taxes" means any and all transfer, documentary, sales, use, gross receipts, stamp, registration, value added, recording, escrow and other similar Taxes and fees (including any penalties and interest) imposed or assessed as a result of the Transactions (including recording and escrow fees and any real property or leasehold interest transfer and any similar Tax).

"Treasury Regulations" means the U.S. federal income tax regulations, including any temporary or proposed regulations, promulgated under the Code, as such regulations may be amended from time to time. Any reference herein to a particular provision of the Treasury Regulations means, when appropriate, the corresponding successor provision.

"Willful and Material Breach" means an action or failure to act by one of the Parties hereto that constitutes a material breach of this Agreement, and such action was taken or such failure occurred with such Party's willful intention that such action or failure to act would constitute a material breach of this Agreement.

EXECUTED

# FIRST AMENDMENT TO LICENSE AGREEMENT

This First Amendment to the License Agreement ("**Amendment #1**") by and between **Biotest Aktiengesellschaft**, a corporation organized under the laws of Germany ("**Biotest**"), and **ADMA Biologics, Inc.**, a Delaware corporation ("**ADMA**"), is effective as of June 6, 2017 ("**Effective Date**"). ADMA and Biotest are also referred to herein individually as a "**Party**" and collectively as the "**Parties**".

**WHEREAS**, Biotest and ADMA are parties to that certain License Agreement, with an effective date of December 31, 2012 (the "**Agreement**"); and

**WHEREAS,** Biotest and ADMA desire to amend the Agreement in order to memorialize the amendment of certain provisions.

**NOW, THEREFORE,** in consideration of the respective promises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereto agree as follows:

**Amendment:**

1. The Agreement is hereby amended such that Section 4.01(e) thereof is deleted in its entirety and, as such, shall have no force or effect. For avoidance of doubt, there is no obligation on the part of any Party to execute a subsequent agreement granting to ADMA exclusive rights to market, sell and distribute Biotest's Varicella Zoster Immune Globulin in the US or Canada.

**Miscellaneous:**

Except as expressly provided herein, all terms and conditions set forth in the Agreement remain unchanged and continue in full force and effect. For avoidance of doubt, Biotest will retain the rights to Commercialization, as defined in the Agreement, to RI-002 for the territories described in Exhibit A to the Agreement in accordance with the terms and conditions of the Agreement. This Amendment #1 shall govern in the event of any conflict between this Amendment #1 and the Agreement. It is agreed by the Parties that all references to the Agreement hereafter made in any document or instrument delivered pursuant to or in connection with the Agreement shall be deemed to refer to the Agreement, as amended hereby.

This Amendment #1 and the Agreement embody the entire agreement and understanding between the Parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

This Amendment #1 may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same single document, and any such counterpart containing an electronically scanned or facsimile signature will have the same effect as original manual signatures.

The Parties agree that they and their employees shall execute all documents and do all other things necessary to carry out the intent to implement the provisions of this Amendment #1.

**IN WITNESS WHEREOF**, the Parties hereby have caused this Amendment #1 to the Agreement to be executed, and the persons signing below warrant that they are duly authorized to sign for and on behalf of their respective Parties.

**ADMA Biologics, Inc.**

By: /s/ Adam Grossman
Name: Adam Grossman
Title: Presdient and Chieft Exective Officer
Date: June 6, 2017

[Signature page to 1st Amendment to RSV immunoglobulin License Agreement]

**IN WITNESS WHEREOF**, the Parties hereby have caused this Amendment #1 to the Agreement to be executed, and the persons signing below warrant that they are duly authorized to sign for and on behalf of their respective Parties.

**Biotest Aktiengesellschaft**

By: /s/ Benhard Ehmer
Name: Benhard Ehmer
Title: Chief Exective Officer
Date: June 5th, 2017

By: /s/ Michael Ramroth
Name Michael Ramroth
Title: Chief Financial Officer
Date: June 5th, 2017

[Signature page to 1st Amendment to RSV immunoglobulin License Agreement]

EXECUTED

# FOURTH AMENDMENT TO PLASMA PURCHASE AGREEMENT

This Fourth Amendment to the Plasma Purchase Agreement (this "**Amendment #4**") by and between **Biotest Pharmaceuticals Corporation**, a Delaware corporation having a place of business at 5800 Park of Commerce Boulevard, NW, Boca Raton, Florida 33487("**BPC**") and **ADMA Biologics, Inc.**, a Delaware corporation having a place of business at 465 Route 17 South, Ramsey, New Jersey 07446 ("**ADMA**") is effective as of June 6, 2017 (the " **Effective Date**").

**WHEREAS**, BPC and ADMA are parties to that certain Plasma Purchase Agreement, effective as of November 17, 2011 (as amended, restated, supplemented or otherwise modified from time to time,, the "**Agreement**"), pursuant to which ADMA purchases from BPC source plasma containing antibodies to respiratory syncytial virus;

**WHEREAS**, BPC and ADMA are parties to that certain Master Purchase and Sale Agreement (as amended, restated, supplemented or otherwise modified from time to time), dated as of January 21, 2017; and

**WHEREAS**, BPC and ADMA desire to further amend the Agreement in order to memorialize the modification of certain provisions.

**NOW, THEREFORE,** in consideration of the respective promises contained herein and other valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

**Amendment:**

1. The Initial Term, as that term is defined in the Agreement, is hereby extended such that it will continue for a period of ten (10) years from the Effective Date.

**Miscellaneous:**

Except as expressly provided herein, all terms and conditions set forth in the Agreement remain unchanged and continue in full force and effect. This Amendment #4 shall govern in the event of any conflict between this Amendment #4 and the Agreement. It is agreed by the parties that all references to the Agreement hereafter made by them in any document or instrument delivered pursuant to or in connection with the Agreement shall be deemed to refer to the Agreement as amended hereby.

This Amendment #4 and the Agreement embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

This Amendment #4 may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same single document, and any such counterpart containing an electronically scanned or facsimile signature will have the same effect as original manual signatures.

The parties agree that they and their employees shall execute all documents and do all other things necessary to carry out the intent to implement the provisions of this Amendment #4.

**IN WITNESS WHEREOF,** the parties hereby have caused this Amendment #4 to be executed and the persons signing below warrant that they are duly authorized to sign for and on behalf of their respective parties.

**ADMA Biologics, Inc.**

By: /s/ Adam Grossman
Name: Adam Grossman
Title: President and Chief Executive Officer

[Signature page to 4th Amendment to RSV Plasma Purchase Agreement]

**IN WITNESS WHEREOF**, the parties hereby have caused this Amendment #4 to be executed and the persons signing below warrant that they are duly authorized to sign for and on behalf of their respective parties.

**Biotest Pharmaceuticals Corporation**

By: /s/ Ileana Carlisle
Name: Ileana Carlisle
Title: Chief Exective Officer

[Signature page to 4th Amendment to RSV Plasma Purchase Agreement]

**EXECUTED**

**TERMINATION AGREEMENT**
**(MANUFACTURING, SUPPLY AND LICENSE AGREEMENT**
**AND MASTER SERVICES AGREEMENT)**

This TERMINATION AGREEMENT (Manufacturing, Supply and License Agreement and Master Services Agreement), dated as of June 6, 2017 (this "Termination Agreement"), is made and entered into by and between ADMA Biologics, Inc., a Delaware corporation ("ADMA"), and Biotest Pharmaceuticals Corporation, a Delaware corporation ("BPC"). Each of ADMA and BPC are sometimes individually referred to herein as a "Party", and collectively as the "Parties". Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement (as defined below).

WHEREAS, the Parties are party to (i) that certain Manufacturing, Supply and License Agreement, dated as of December 31, 2012 (as amended, restated, supplemented or otherwise modified from time to time, the "Manufacturing Agreement") and (ii) that certain Master Services Agreement dated as of November 30, 2007, including all statements of work thereunder (as amended, restated, supplemented or otherwise modified from time to time, the "Master Services Agreement");

WHEREAS, ADMA, ADMA BioManufacturing, LLC ("Buyer"), BPC, Biotest AG and Biotest US Corporation have entered into that certain Master Purchase and Sale Agreement, dated as of as of January 21, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Purchase Agreement"); and

WHEREAS, pursuant to the terms and conditions of the Purchase Agreement, the Parties have also agreed to terminate the Manufacturing Agreement and the Master Services Agreement, effective upon the Closing of the Transactions contemplated by the Purchase Agreement, and to provide a mutual release in connection therewith.

NOW, THEREFORE, in consideration of the matters set forth in the Recitals, the consideration set forth below and for other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Termination of the Manufacturing Agreement and Master Services Agreement; Mutual Release.

(a) Subject to the occurrence of the Closing, and effective as of the date hereof and simultaneously with the Closing, (i) each of the Manufacturing Agreement and the Master Services Agreement is hereby terminated in full and is of no further force, effect or applicability, and all of the respective rights, benefits, liabilities and obligations (including, without limitation, any fees and expenses payable under the Manufacturing Agreement and the Master Services Agreement) of the Parties under each of the Manufacturing Agreement and Master Services Agreement shall be immediately and automatically terminated and cancelled and of no further force and effect, and (ii) subject to clause 1(b) below, each Party hereby, on behalf of itself and its respective Affiliates, successors and assigns, forever releases, waives and discharges the other Party of and from any and all claims, counterclaims, liabilities, charges, demands, actions or causes of action, known or unknown, relating to the Manufacturing Agreement and the Master Services Agreement. The Parties hereby waive any notice or other requirements in the Manufacturing Agreement and the Master Services Agreement relating to the termination of such Manufacturing Agreement and Master Services Agreement.

(b) Notwithstanding the generality of the foregoing or anything to the contrary herein or in the Manufacturing Agreement, the Master Services Agreement or the Purchase Agreement, the Parties acknowledge and agree that (i) this Termination Agreement is intended to implement the provisions of the Purchase Agreement and shall not constitute a waiver of or be construed to enhance, extend, prejudice or limit any of the rights, remedies, obligations or defenses of any of the parties under the Purchase Agreement or their respective Subsidiaries or Affiliates with respect to any matters under the Purchase Agreement or the Commercial Agreements or the Equity Documents or Other Agreements ancillary thereto, each of which is hereby expressly reserved and retained in all respects, and (ii) no provision of this Termination Agreement shall in any way modify the provisions (including, without limitation, the representations, warranties, covenants, agreements, conditions, or any of the other obligations and indemnifications of the parties to the Purchase Agreement) set forth in the Purchase Agreement or the Commercial Agreements or the Equity Documents or Other Agreements ancillary thereto.

2. Representations and Warranties. Each Party hereby represents and warrants to the other Party that (a) the execution, delivery and performance by such Party of this Termination Agreement and the consummation by such Party of the transactions contemplated hereby are within such Party's corporate powers and have been duly authorized by all necessary corporate action on the part of such Party, (b) this Termination Agreement, assuming due authorization, execution and delivery by the other Party, constitutes a valid and binding agreement of such Party enforceable against such Party in accordance with its terms (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws affecting creditors' rights generally and general principles of equity) and (c) the execution, delivery and performance of this Termination Agreement by such Party will not (i) conflict with or result in any material breach of any terms or provisions of, or constitute a material default under, any material contract, agreement or instrument to which such Party is a party or by which such Party is bound or (ii) require any filing with, giving notice to, or the obtaining of any authorization, consent or approval of, any other person or entity.

3. Counterparts. This Termination Agreement may be executed in multiple counterparts and by the Parties on separate counterparts which, taken together, shall constitute one binding agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or e-mail pdf. shall be as effective as delivery of a manually executed counterpart of the Agreement.

4. Entire Agreement. This Termination Agreement, the Purchase Agreement, the Commercial Agreements, the Equity Documents and Other Agreements constitute the entire agreement among the parties hereto with respect to the subject matter of this Termination Agreement. To the extent any provision of this Termination Agreement is inconsistent with the Purchase Agreement, the provisions of the Purchase Agreement shall control.

5. Governing Law; Consent to Jurisdiction. This Termination Agreement shall be interpreted, construed and governed exclusively by the laws of the State of Delaware. Any legal action, suit or proceeding arising out of or relating to this Termination Agreement or the transactions contemplated hereby may only be instituted in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware), and each of the Parties hereto waives any objection which such party may now or hereafter have to the laying of the venue of any such action, suit or proceeding, and irrevocably submits to the jurisdiction of any such court in any such action, suit or proceeding.

6. Amendment. No provision of this Termination Agreement may be changed, waived, discharged or discounted, except in writing signed by the Parties hereto.

*[Signature page follows]*

**IN WITNESS WHEREOF**, the Parties hereto have executed this Termination Agreement as of the day and year first above written.

**ADMA BIOLOGICS INC.**

By: /s/ Adam Grossman
Name: Adam Grossman
Title: President and Chief Executive Officer

*[Signature Page to Termination Agreement]*

**IN WITNESS WHEREOF**, the Parties hereto have executed this Termination Agreement as of the day and year first above written.

**BIOTEST PHARMACEUTICALS CORPORATION**

By: /s/ Ileana Carlisle
Name: Ileana Carlisle
Title: ChiefExecutive Officer

*[Signature Page to Termination Agreement]*

Exhibit 31.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Adam S. Grossman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ADMA Biologics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2017

By: /s/ Adam S. Grossman
Name: Adam S. Grossman
Title: President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brian Lenz, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ADMA Biologics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2017

By: /s/ Brian Lenz
Name: Brian Lenz
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of ADMA Biologics, Inc., a Delaware corporation (the "Company"), on Form 10-Q for the quarter ended June 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Adam S. Grossman, President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2017

By: /s/ Adam S. Grossman
Name: Adam S. Grossman
Title: President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of ADMA Biologics, Inc., a Delaware corporation (the "Company"), on Form 10-Q for the quarter ended June 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian Lenz, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2017

By: /s/ Brian Lenz
Name: Brian Lenz
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)