

Zwingenberg, Germany, August 30th, 2021

BRAIN Biotech AG 9M '20/'21 Results

- **Solid Progress on Incubator Pipeline**
- **Capital Markets Day: Focus BEC, September 3rd**
- **Full Year Guidance Confirmed**

Today, BRAIN Biotech AG (BRAIN, ISIN DE0005203947 / WKN 520394) published its results for the period from April 1st, 2021 to June 30th, 2021. In the first nine months of the 2020/2021 financial year, the BRAIN Group generated a revenue of € 27.8 million compared to € 29.6 million in the same period of the previous year, which represents a decline of 5.8%. Revenues in the third quarter of 2020/21 amounted to € 9.8 million. This corresponds to an increase of 2.3% compared to the third quarter of the previous year. Adjusted Group EBITDA decreased by € 1.6 million from € -0.6 million in the previous year to € -2.2 million in the first nine months of the 2020/21 financial year. Adjusted EBITDA in the third quarter decreased from € +0.2 million to € -0.2 million compared to the same quarter of the previous year. The cash position at the end of the quarter amounted to € 7.2 million.

Progress in Incubator Pipeline & Upcoming Capital Markets Day

Incubator Pipeline: BRAIN has demonstrated solid progress within the scope of the business plan on most of its new business development projects. The company had issued a detailed view on its incubator pipeline with significantly enhanced transparency for the capital market at last years CMD. Now BRAIN is publishing a progress update in yearly intervals. Details can be found in the 9M Investor Relations presentation.

Capital Markets Day: Focus BEC. BRAIN Biotech will host its Capital Markets Day (CMD) on September 3rd. The CMD will entirely be devoted to BRAIN'S novel genome engineering nuclease, the BRAIN Engineered Cas (BEC). This stresses the importance of this new incubator project for the future development of the group. BRAIN's CEO, Adriaan Moelker, will be discussing the transformational power of BEC for BRAIN and the society. The scientific heads of the genome editing program, Dr. Michael Krohn and Dr. Paul Scholz, will explain the opportunities which genome editing offers and how BEC differs. Lukas Linnig, CFO, will give insights in his thought process how to maximize value for BRAIN stakeholders from this new technology.

Business Development by Segment

The **BioScience segment**, which includes the R&D business with industrial partners and the incubator business, generated revenue of € 7.4 million in the reporting period, down 29.2 % from the prior-year period. This decline is mainly due to some larger projects reaching their planned end phase and delays in the completion of new/follow-up projects in the Tailor-Made-Solutions business. In the third quarter, revenue decreased from € 3.6 million to € 2.7 million compared to the previous year. The adjusted EBITDA decreased from € -3.1 million to € -4.6 million. This includes investments in the new BEC project of around € 1.0 million in the first nine months of the fiscal year.

The lower adjusted EBITDA is mainly due to the decline in sales in the BioScience segment mentioned above. Realized cost savings were not able to counteract this decline. Additional investments to accelerate the BEC project have added to the negative adjusted EBITDA.

Revenues of the **BioIndustrial segment**, which covers the scalable product business, reported a solid increase of 7.5 % from € 19.1 million to € 20.6 million in the reporting period. In organic terms, excluding BioSun Biochemicals, revenue decreased slightly by 0.9 %. Adjusted EBITDA decreased slightly from € 2.6 million to € 2.4 million. Within the segment, all group companies except WeissBioTech GmbH demonstrated solid revenue development. WeissBioTech continued to record significant revenue declines which added to around -30% for the nine month period. This is due, among other things, to effects in connection with the Coronavirus. In addition, it remains challenging to win new customers due to the ongoing pandemic.

Lukas Linnig, CFO of BRAIN Biotech AG, says: "Late cyclical negative Corona effects continue to take its toll on the business performance of our BioScience segment and our daughter company WeissBioTech. We see a clear sequential improvement in the BioScience segment since Q1 but are unable to fully compensate the weak start into the fiscal year and the high base from last year. At WeissBioTech we clearly have focused on restructuring and are now preparing the base for future growth. All other operations of the group have strongly performed and demonstrated resilience throughout the crisis. I am happy to confirm our full year guidance with group sales of € 37-40 million and an improvement of our group EBITDA. This guidance excludes additional investments to accelerate our BRAIN Engineered Cas project, as stated at the 6M reporting."

Adriaan Moelker, CEO of BRAIN Biotech AG, comments: "The biggest value driver for BRAIN's stakeholders is and remains our incubator pipeline. We have been executing well on most of our projects during the last year and will continue to give the capital market a transparent view on our ongoing progress. It makes me especially proud that we have managed to add two very valuable business projects to our incubator with the BRAIN Engineered Cas and PHA121. At

the Capital Markets Day on September 3rd we are happy to share our ongoing excitement on the BEC project with our shareholders.”

Key financials (first nine months of the financial year 2020/21)

(in € million)	9M 2020/21	9M 2019/20
Revenues	27.8	29.6
BioScience	7.4	10.5
BioIndustrial	20.6	19.1
Total operating performance ¹	30.0	30.3
Adjusted EBITDA ²	-2.2	-0.6
EBITDA	-2.1	-0.9
Operating cash flow	-3.0	-5.7
	30.06.2021	30.09.2020
Cash and cash equivalents	7.2	18.9

1 Revenues + change in inventories + other income including R&D grants

2 The reconciliation from adjusted to unadjusted EBITDA can be found in the 9M report for the period ended June 30th, 2021

More detailed information on the financial results are available at www.brain-biotech.com/investors/financial-publications as part of the 9M financial report for the period ended June 30th, 2021.

Financial Calendar:

www.brain-biotech.com/investors/financial-calendar

About BRAIN

BRAIN Biotech AG (“BRAIN”) is a leading European specialist in industrial biotechnology. As a technology provider and developer of bio-based products and solutions for nutrition, health and the environment, the company supports the biologization of industry and contributes to a more sustainable economy. BRAIN is the parent company of the BRAIN Group. Two pillars form BRAIN Group’s business: The BioScience segment includes contract research for renowned industrial partners as well as an incubator for the development of the company’s own highly innovative products. In the BioIndustrial segment, the company focuses on specialty business in the production and refinement of enzymes, microorganisms and bioactive natural products and the respective distribution.

The BRAIN Group maintains its own diverse collection of natural resources: the BRAIN Bioarchive comprises microorganisms, genetic material and natural substances. Based on this collection and with a comprehensive technology portfolio, BRAIN addresses technological challenges and develops bio-based

products and solutions that are already successfully employed in the industry. The BRAIN Group has its own production facilities in Germany, UK and the US, which together with the associated biotechnological production expertise, complete the value chain within the Group.

Since its IPO in 2016, BRAIN Biotech AG has been listed in the Prime Standard of the Frankfurt Stock Exchange (ISIN DE0005203947 / WKN 520394)

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