
Zwingenberg, Germany, February 1st, 2022

BRAIN Group significantly expands its food enzyme business with the acquisition of Breatec B.V. and Comix business

Today, BRAIN Biotech AG announced that it has acquired Breatec B.V. including the Comix business, Nieuwkuijk, Netherlands, a successful distributor, formulator and blender of functional food ingredients for the baking and milling industry. This acquisition will further enhance the growth trajectory of BRAIN's BioIndustrial division and expand its enzyme portfolio to adjacent market segments.

BRAIN Biotech AG (BRAIN) has concluded an agreement to initially purchase 62% of the shares in Breatec B.V. including the Comix business via Weriol Group B.V., Nieuwkuijk, Netherlands, from the current owners. The closing of the transaction is scheduled for February 3rd, 2022. In addition, an agreed call/put structure will allow BRAIN to acquire the entire business latest until the end of the first quarter 2027. The majority of the still outstanding shares is owned by the current management which will continue to drive the business and also lead the integration into the BioIndustrial division of the BRAIN Group.

Breatec has been founded in 2006 and is located in the central south region of the Netherlands close to the Belgium and German borders, surrounded by many leading international industrial food companies. The company services a global customer base from its headquarter in Nieuwkuijk with a focus on Europe, Middle East, Africa, (EMEA) and Latin America. The range of functional food ingredients for the bakery and milling industry includes enzymes, emulsifiers, glutathione yeast and vitamins. A successful sales organization is complemented by a state of the art flour, enzyme analyses and baking lab. Breatec is ISO 22.000 and its production facility FSSC 22.000 certified.

In the calendar year 2021 Breatec and Comix generated around EUR 7 million of turnover with a positive EBITDA contribution. The acquisition will be fully consolidated by BRAIN as of February 1st, 2022. On a comparable full year basis the acquisition will boost group turnover by around 18% and revenues of the BioIndustrial segment by around 25%. BRAIN has initially paid around EUR 3.7 million for the acquisition of 62% of the share capital. Based on the achievement of certain EBITDA milestones the initial price might rise moderately. The BRAIN executive board expects to harvest cost and revenue synergies during the integration process.

Frank Olfers, MD, Breatec B.V., states: "We are very much looking forward to accelerate our future growth path with the financial and scientific power of being a BRAIN Group member. We

will remain an agile organization focussed on our customers and end markets while utilizing the opportunities within the group. I am very confident that this will be very welcomed by our customers and open up new opportunities for our employees.”

Adriaan Moelker, CEO BRAIN Biotech AG, expresses: “We are very glad to welcome the Breatec and Comix team as a new BRAIN Group member. Breatec is an acquisition, which will add critical mass to our food related industrial enzymes business, further enhance our growth profile and open up a new market segments in bakery as well as milling. In addition, we can harvest clear cost and revenue synergies with existing group members Biocatalysts, BioSun and WeissBioTech. From a geographical perspective, Breatec’s activities in South America will offer growth opportunities for the entire group, next to Comix position predominantly in Europe with the focus on concentrated formulated solutions for the baking industry. This acquisition fits very well to our stated M&A strategy and offers a strong potential for value creation. I am really looking forward to personally accelerate the integration of the Breatec and Comix team into the BRAIN Group.”

About Breatec

Breatec is an applications technology driven company with a wide range of applications in the baking and milling industry. Breatec is based in Nieuwkuijk in the central south region of the Netherlands close to the Belgium and German borders, surrounded by many leading international industrial food companies. From the headquarter in Nieuwkuijk, Netherlands, customers are serviced globally.

Breatec is an experienced company which started in 2006. The philosophy is “Bringing science to application”. Within the team Breatec has experienced people educated in milling, bakery (bread baking, fine bakery in it’s widest form, pasta /noodle industry etc.) as well in the fundamentals of the functional ingredients required for these markets. Breatec has its own sales organisation, state of the art flour and enzyme analyses and baking lab, is ISO 22.000 certified while the production facility is FSSC 22.000 certified. All products are certified Kosher and Halal and for the emulsifiers they are RSPO certified.

Within the range they offer solutions for Organic and Gluten free formulations in the broadest sense. – For further information: <https://breatec.com/en/home-2/>

About Comix

Comix develops tailored solutions in the most concentrated way possible. These tailored functional systems include enzymes, emulsifiers, ascorbic acid, glutathione yeast and (natural) preserving solutions. Comix also offers standard functional ingredients like gluten, soy flours, flour malts and sourdough’s. – For further information: <https://co-mix.nl/en/home-2/>

About BRAIN

BRAIN Biotech AG (“BRAIN”) is a leading European industrial biotechnology specialist with a focus on nutrition, health and the environment. As a technology and solutions provider the company supports the biologization of industries with bio-based products and processes. From contract R&D with industrial partners to advancing own disruptive incubator projects and customized enzyme products– BRAIN’s broad cutting-edge biotech expertise and its agile teams are key to success.

BRAIN Biotech AG, Germany, is the parent company of the international BRAIN Group, distributing specialty B2B products like enzymes or bioactive natural products. The BRAIN Group has its own

fermentation or production facilities in Germany, UK and the US, which together with the associated biotechnological solution competency complete the value chain within the group.

As a Participant of the United Nations Global Compact, BRAIN Biotech AG is committed to aligning strategies and operations with universal principles on human rights, labour, environment and anti-corruption and to actively advance common societal goals. Our products and services target at least five of the UN SDGs directly.

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

Contact Investor Relations

Michael Schneiders
Head of Investor Relations & Sustainability
Phone: +49 6251 9331-86
Email: mis@brain-biotech.com

Media Contact

Dr. Stephanie Konle
PR & Corporate Communications
Phone: +49 6251 9331-70
Email: stk@brain-biotech.com

Disclaimer

This press release contains forward-looking statements. These statements reflect the current views, expectations, and assumptions of the management of BRAIN Biotech AG, and are based on information currently available to the management.

Forward-looking statements are no guarantees of future performance, and entail both known and unknown risks as well as uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Numerous factors exist that could influence the future performance by, and future developments at, BRAIN Biotech AG and the BRAIN Group. Such factors include, but are not limited to, changes in the general economic and competitive environment, risks associated with capital markets, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, as well as other factors.

BRAIN Biotech AG does not undertake any obligation to update or revise any forward-looking statements.

Follow BRAIN Biotech on Twitter (@BRAINbiotech) and on LinkedIn (BRAIN Biotech AG)