

BRAIN Biotech AG sells subsidiary L.A. Schmitt to URI group company

- **BRAIN Biotech AG further focusses business activities**
- **Transaction closed on September 26, 2022**
- **URI group expands its network into European production**

Zwingenberg, September 26, 2022 – BRAIN Biotech AG has announced the sale of its subsidiary L.A. Schmitt GmbH, Ludwigsstadt, to a company of the URI group, Seoul, Korea. The transaction has closed on September 26, 2022. L.A. Schmitt was founded in 1925 as a producer and contract manufacturer of cosmetics and wellness products. The company has been part of the BRAIN Group since 2009. Both parties have agreed on confidentiality about the transaction term details.

BRAIN Biotech AG has been increasingly focusing its business activities under the current leadership team on the areas of bioprocessing, producer strain development and enzyme development and production. These technology-driven solutions are based on the advanced genome engineering capabilities within the company and are also fueled by the company's proprietary genome editing platform.

Kim Dong-Myung, CEO of URI group company La Cultura Verde Ltd., says: "Building our business in the field of aesthetics began with the vision of delaying skin aging, preserving youth, and making happiness-inducing as well as healthy skin care available to the broader public. After 30 years of realizing this vision, today we are taking over the cosmetics manufacturer L.A. Schmitt, with 97 years of its very own tradition. We are excited to propel our vision of selling affordable skin care for all to the global market with products produced by L.A. Schmitt 'Made in Germany'. We will ensure strong competitiveness of L.A. Schmitt by focusing on high-quality products with affordable prices, aiming for market conform profit margins and thus offering employees long-term job prospects."

Lukas Linnig, CFO BRAIN Biotech, states: "We are constantly evaluating our company portfolio to determine whether BRAIN Biotech remains the best owner. With our increased focus on innovations which are driven by advanced technology, cosmetics formulation has become a lower priority for us. I am fully convinced that we have found a strong new owner for the L.A. Schmitt activities. In addition, the disposal will give BRAIN Biotech additional cash reserves to finance its ambitious growth targets in the areas of industry and science."

Ivo Petschke, MD of L.A. Schmitt, adds: "First, I really want to thank BRAIN for the many years of strong cooperation and support. I also appreciate that we could jointly find a new owner which

will allow us to further accelerate our future business development. Under the new ownership we have the opportunity to significantly expand sales and increasingly modernize our production infrastructure. We all at L.A. Schmitt look forward to support this new chapter in our corporate development.”

About BRAIN

BRAIN Biotech AG (“BRAIN”) is a leading European specialist in industrial biotechnology with a focus on nutrition, health and the environment. As a technology and solution provider, the company supports the biologization of industry with biobased products and processes. From contract research and development with industrial partners to the development of own disruptive incubator projects and customized enzyme products: BRAIN's broad, innovative biotech know-how and its agile teams are the key to success.

The German BRAIN Biotech AG is the parent company of the international BRAIN Group, which distributes B2B specialty products, including enzymes and bioactive natural products. The BRAIN Group has its own fermentation or production facilities in continental Europe, the UK and the USA, which complete the value chain within the Group with the associated biotechnological production know-how.

As a participant in the United Nations Global Compact, BRAIN Biotech AG is committed to aligning its strategies and activities with the universal principles on human rights, labor, environment and anti-corruption, and to actively promote common social goals. Our products and services directly target at least five of the UN SDGs.

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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Forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties. The actual future results of BRAIN Biotech AG and the BRAIN Group and developments concerning BRAIN Biotech AG and the BRAIN Group may therefore differ materially from the expectations and assumptions expressed herein due to various factors. These factors include, in particular, changes in the general economic situation and the competitive situation. In addition,

developments on the financial markets and exchange rate fluctuations, as well as national and international legislative changes, particularly with regard to tax regulations, and other factors may have an impact on the future results and developments of BRAIN Biotech AG.

BRAIN Biotech AG assumes no obligation to update the statements contained in this release.