

## BRAIN Biotech AG with Strong Start into Fiscal Year 2022/23, 3M Reporting

- **Total group revenues plus 35%, organic plus 19%**
- **Both segments contribute with double digit organic growth**
- **Cash on-hand improved**

**Zwingenberg, Germany, 27. February 2023** – BRAIN Biotech AG, a leading provider of integrated solutions for the biologization of industry, had a strong start into the fiscal year with very satisfying revenue growth in both divisions. Cash on hand improved by € 2.4 million to € 10.8 million from last quarter which includes the disposal proceeds from L.A. Schmitt GmbH. **Adriaan Moelker**, CEO BRAIN Biotech AG, states: “BRAIN continues well on its path of profitable growth. Over the last three years we have prepared the ground by structural changes to our company portfolio, technology additions, cultural change and people management. As a result we have now built a solid base for growth also in the coming years.”

The revenue of the BRAIN Group grew to € 13.7 million in Q1 2022/23 fiscal year. Compared with the previous year (€ 10.2 million), this represents an increase of 34.5%. On an organic basis – in other words, excluding the acquisition of Breatec-Group and the divestment of L.A. Schmitt GmbH – revenue also increased by a strong 19.4%. This revenue increase in organic terms has been driven by both segments. At € 13.5 million, the total operating performance was up by € 3.1 million. BRAIN Biotech’s adjusted EBITDA was slightly down in the first quarter from € -0.3 million to € -0.4 million reflecting higher expenditures for personnel and higher project investments.

### **Important events for the quarter**

BRAIN Biotech AG was informed on November 17 by its anchor investor MP Beteiligungs-GmbH, Kaiserslautern, that MP Beteiligungs-GmbH now holds approximately 45% of the total share capital in BRAIN Biotech AG. The shareholding of MP Beteiligungs-GmbH in BRAIN Biotech AG has been continuously expanded over the course of 2022 through share acquisitions in the open market. With the completion of an additional major block transaction, the total shareholding has grown to

approximately 45%. MP Beteiligungs-GmbH intends to continue to accompany the development of BRAIN Biotech AG on the capital market in the long-term and considered the weak capital market environment for the BRAIN Biotech AG share price as a good investment opportunity.

BRAIN Biotech and rare sugars expert Bonumose announced that they have reached initial project milestones as part of their strategic collaboration. The companies aim to improve the performance of several enzymes that catalyze cascade reactions in the continuous production of low-calorie, ultra-low-glycemic, naturally occurring sweeteners. Bonumose has developed a patented process for producing tagatose and allulose, which eliminates several processing steps and significantly increases yields during the production process. The company uses multiple enzymes within the synthesis cascades and BRAIN Biotech is optimizing several of these enzymes using enzyme engineering.

### **Development of segments**

The BioIndustrial segment consists mainly of the group's industrial scale product business. Revenue in the BioIndustrial segment grew strongly by 43.5% from € 7.4 million to € 10.6 million. On an organic basis excluding the acquisition of Breatec Group revenues increased by 23%. Without selected supply chain constraints the organic growth could have been even more dynamic. Adjusted EBITDA for the segment grew by 18.8% or € 0.2 million to € 1.1 million mainly driven by the higher level of turnover.

The BioScience segment includes the research business with industrial partners and the company's own incubator pipeline. Revenue in the BioScience segment was up by a solid all organic 10.5%, from € 2.8 million to € 3.1 million. This sales increase is mainly attributable to larger project volumes with existing customers and selected price increases for our contract research services. The adjusted EBITDA of the segment is reported at € -1.4 million and includes strong investments into the genome-editing activities branded under Akribion Genomics.

**Michael Schneiders**, CFO at BRAIN Biotech AG, looks optimistically into the future: "The start into our new financial year 2022/23 has been the continuation of the strong operating performance of last year. We are very pleased with the double digit growth

rate in both operating segments. Solid growth also builds the basis to handle the ongoing challenges of an inflationary labor and material cost base. We look optimistic into the next three quarters of our business year.”

### Key financials (first three months of the financial year 2022/23)

(in € million)	3M 2022/23	3M 2021/22
Revenues	13.7	10.2
BioScience	3.1	2.8
BioIndustrial	10.6	7.4
Total operating performance <sup>1</sup>	13.5	10.4
Adjusted EBITDA <sup>2</sup>	-0.4	-0.3
EBITDA	-0.7	-0.6
Operating cash flow	-2.0	-0.2
	31.12.2022	31.12.2021
Cash and cash equivalents	10.8	22.7

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

2 The reconciliation from adjusted to unadjusted EBITDA can be found in the 3M report for the period ended December 31<sup>st</sup>, 2022

#### Further information:

BRAIN Biotech AG 3M Report 2022/23

[www.brain-biotech.com/investors/financial-publications](http://www.brain-biotech.com/investors/financial-publications)

Financial Calendar:

<https://www.brain-biotech.com/investors/financial-calendar>

#### **About BRAIN**

BRAIN Biotech AG is a leading European specialist in industrial biotechnology with a focus on nutrition, health and 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 its 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, together with the associated biotechnological production know-how, complete the value chain within the Group.

As a participant in the United Nations Global Compact, BRAIN Biotech AG is committed to aligning its strategies and activities with universal principles on human rights, labor, the environment and anti-corruption, and to actively promote common social goals. BRAIN Biotech's 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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BRAIN Biotech AG does not undertake any obligation to update or revise any forward-looking statements.