

**BRAIN Biotech AG presents strong cash position with its 9M reporting and is forecasting good sequential growth in the final quarter of the business year**

- **Cash on-hand at € 13 million**
- **Significantly improved operating cash-flow in the 9M**
- **Forecasting a sequentially strong BioProducts quarter in Q4 FY 23/24**

**August 29, 2024, Zwingenberg/Germany** – BRAIN Biotech AG, a leading provider of integrated solutions for the biologization of industry, today published its 9M results of FY2023/2024.

**Adriaan Moelker**, CEO BRAIN Biotech AG, says: “Despite the flat year-on-year growth up to Q3, we are still executing well on our business plan in an environment of inflation, slow economic growth and sometimes unforeseen volatility. BRAIN is increasingly offering high value-added products and services to its customers, has now built a culture of strong operational execution as well as ongoing cost control. I am especially pleased by new key customers choosing BRAIN Biotech and Biocatalysts as their partner. These are further evidence that we are a proven partner in this competitive market and they will help drive our growth in the years to come. Our solid cash position forms a strong basis to keep delivering on our mid-term strategy.”

BRAIN Biotech AG has built up a strong cash position of € 13.0 million within the 9M period by successfully executing several refinancing operations, primarily with debt instruments.

### **Development of segments**

Turnover in the **BioProducts** segment, which comprises the product business with specialty enzymes and other proteins, increased slightly from € 30.3 million to € 30.4 million in the reporting period. Total operating performance amounted to € 30.1 million and was therefore 2.0% lower than in the same period of the previous year. Turnover in the third quarter amounted to € 10.5 million, representing a dynamic increase of 11.1 % compared to the same period of the previous year (€ 9.5 million). Adjusted EBITDA in the BioProducts segment fell from € 3.3 million to € 3.0 million. This is mainly due to higher personnel costs resulting from the recruitment of new production staff for future growth and operating start-up costs for the commissioning of the second large-scale fermenter.

The **BioScience** segment that includes research-intensive custom solutions based on enzyme technology, strain development, bioprocess development and natural product screening reported generated sales of € 8.5 million in the reporting period, which corresponds to a decline of 10.9 % compared to the same period of the previous year (€ 9.6 million). This was due to project delays in the cooperation business in a weakening economic environment in contract research. Adjusted EBITDA decreased from € 0.4 million to € -0.3 million, mainly due to the lower sales revenue. Continued stringent project controlling and good general cost control were able to partially counteract the sales decline.

The **BioIncubator** segment, which covers revenues from own R&D projects or those initiated with partners increased turnover significantly from € 0.5 million to € 1.6 million in the reporting period compared to the same period of the previous year. In the second quarter of the financial

year, a milestone was successfully achieved in the deucricitibant project (formerly PHA 121), making a significant contribution to sales growth. The strong sales growth is also reflected in the segment's adjusted EBITDA, which improved from € -2.2 million in the previous year to € -1.4 million. The segment continues to be characterized by high investments totaling € 2.3 million in the area of genome editing under the brand name Akribion Genomics.

The **BRAIN Biotech Holding segment** mainly includes personnel expenses and other expenses for Group administration, further development of the BRAIN Biotech Group, stock exchange listing and M&A activities. The adjusted EBITDA of the segment amounted to a negative € 2.5 million which is roughly in line with the prior year 9M period at € -2.4 million. Rigid cost control could partially compensate for rising service costs which are primarily due to the general inflation of labor costs.

The 9M period has seen a strong improvement of the operating cash flow from € -4.5 million in the period last year to € -2.7 million during this reporting period. This improvement was primarily driven by strong working capital control and stringent receivables management.

#### Key financials (first nine months of the financial year 2023/24)

(in € million)	9M 2023/24	9M 2022/23
Revenues	40.4	40.4
BioProducts	30.4	30.3
BioScience	8.5	9.6
BioIncubator	1.6	0.5
Total operating performance <sup>1</sup>	40.8	41.8
Adjusted EBITDA <sup>2</sup>	-1.2	-0.9
EBITDA	-1.9	-1.6
Operating cash flow	-2.7	-4.5
	30.06.24	30.09.23
Cash and cash equivalents	13.0	5.4

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 October 1, 2023 to June 30, 2024

#### Further information

BRAIN Biotech AG 9M Report 2023/24:

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

### **About BRAIN Biotech**

BRAIN Biotech AG is a leading provider of integrated solutions and products in the field of industrial biotechnology. The company specializes in enzymes and proteins, microbial production strains and bioprocesses for biotechnological production methods. BRAIN Biotech focuses on the growth markets of nutrition and life sciences as well as on innovative solutions for environment issues. BRAIN Biotech AG is the parent company of the international BRAIN Biotech Group. Its business activities are divided into three segments: 1. BioProducts: Production and sale of specialty enzymes and proteins; 2. BioScience: Customized solutions based on enzyme engineering, production strain and bioprocess development, and screening for bioactive compounds; 3. BioIncubator: Pipeline of research-intensive development projects. For production, the Group operates fermentation plants in the UK and other production facilities in continental Europe and the USA. BRAIN Biotech has been listed on the Frankfurt Stock Exchange since February 9, 2016 (ticker: BNN; ISIN DE0005203947 / WKN 520394). The company employs around 310 people and generated revenues of EUR 55.3 million in the fiscal year 2022/23. For more information, please visit or follow: <https://www.brain-biotech.com>, [LinkedIn](#), [X](#), [Threads](#) and [YouTube](#).

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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 of and future developments at BRAIN Biotech AG and the BRAIN Biotech 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.