

BRAIN Biotech AG Sharpens Focus on Profitable Growth

- **Combination of BioProducts segment and BioScience Zwingenberg to form the growth segment BRAINBiocatalysts**
- **Five-year targets in the BRAINBiocatalysts segment: revenues of EUR 100 million, 15 % adjusted EBITDA margin and high R&D ratio**
- **Significant improvement in the liquidity and earnings situation due to the two completed transactions with Royalty Pharma and Akribion Therapeutics**
- **Significant future potential through licensing of further BioIncubator and research projects**

ZWINGENBERG, Germany, December 12, 2024 – BRAIN Biotech AG is creating the new growth segment BRAINBiocatalysts in the new financial year 2024/2025. The company announces this at today's Fifth Capital Markets Day in Zwingenberg. By combining the two previous segments BioProducts and BioScience Zwingenberg, BRAIN Biotech is further sharpening its focus on the enzyme business and ensuring a more efficient integration of its research activities. The successful commercialization of the BioIncubator programs will be continued, thereby further strengthening the company's liquidity position and profitability.

"We already have a unique product portfolio of enzymes and related activities in highly attractive niches that cannot be served efficiently by larger providers. Bundling our production and research activities on a joint technology platform will take us another major step forward," says **Adriaan Moelker**, CEO of BRAIN Biotech AG, at the Capital Markets Day. "We are now focusing even more strongly on the successful implementation of our operational growth strategy and on consistently seizing opportunities," said Moelker. "Our vision is to become a top 10 innovative enzyme player with reliable profitable sales growth and positive cash flows, our strong science foundation will help us reach this vision."

The company is updating its medium-term forecast and now expects revenue of EUR 100 million in five years for the BRAINBiocatalysts segment alone. This corresponds to forecast growth of over 80 % in total compared to the 2022/23 financial year (comparable figure for the Group: EUR 55.3 million). The adjusted EBITDA margin in the segment is expected to grow to 15 %. The planning is based on a continued high Group R&D ratio of 7 – 10 %. Growth is expected to be predominantly organic. Strategically bolt-on acquisitions can add product expertise and accelerate the growth trajectory.

The BRAINBioIncubator represents the second segment of BRAIN Biotech AG. Due to the recently signed transactions with Royalty Pharma and Akribion Therapeutics GmbH, the commercial harvesting phase in the more volatile project business has now begun. The company expects the ongoing commercialization of the pipeline to have significant additional positive effects on BRAIN-Group sales and adjusted EBITDA over the next five years.

Michael Schneiders, CFO of BRAIN Biotech AG, explains: "The bundling of our continuous growth business in the new segment BRAINBiocatalysts emphasizes our company's focus on sustainable, profitable growth. In my opinion, we are also establishing now a valuation cornerstone for the company that is ideally complemented by the existing and future opportunities with high value potential from the BRAINBioIncubator segment."

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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 www.brain-biotech-group.com.

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