

Press release

## Annual Report 2023/24: BRAIN Biotech AG acts from a strong cash position and is confident about its growth prospects

- **Group cash and cash equivalents improved to € 27.2 million**
- **Successfully closed two milestone transactions with Royalty Pharma and Akribion Therapeutics**
- **Management sees a strong start to the new financial year**
- **Updated mid-term targets at the CMD 2024 and well-founded optimism for new business year 2024/25**

**ZWINGENBERG, Germany, January 15, 2025** – BRAIN Biotech AG, a leading provider of specialty enzymes and innovative biosolutions for industry, has published the BRAIN Biotech Group's financial figures for the fiscal year 2023/24. The Group's cash position has been built up during the year to a strong € 27.2 million.

The company successfully closed two milestone transactions in the last financial year: first, a royalty monetization with Royalty Pharma with potential proceeds from milestone payments of up to € 128.88 million; second, an exclusive pharma licensing deal with Akribion Therapeutics for up to € 92.3 million in milestones plus royalties on net sales. Consolidated revenue in the 2023/24 financial year was roughly flat at € 54.6 million.

**CEO Adriaan Moelker** says: "With two closed benchmark transactions from our BioIncubator pipeline we were able to develop the Group significantly from a strategic perspective while our revenue growth has taken a breather during the last financial year. I am very confident about the growth prospects for the current year and our mid-term target to reach € 100 million revenues in the BRAINBiocatalysts segment within the next five years. We have a good and solid foundation on which to build, our markets are large and attractive, and we have the tools to succeed."

BRAIN Biotech reported an adjusted EBITDA of € - 0.4 million compared to € +0.4 million last year despite macroeconomic headwinds and high investments in the Group's BioIncubator projects. **CFO Michael Schneiders** states: "During a year full of economic challenges we have managed to keep our adjusted EBITDA close to breakeven. With a strong focus on the successful execution of strategic initiatives we have been able to bring our group cash position to a very comfortable level of € 27.2 million and to reduce our cost base significantly for the running financial year. We have laid excellent foundations for success in the years to come. Hence, we forecast a clearly positive adjusted EBITDA for 2024/25."

### Development of the segments

In the reporting period, BRAIN Biotech's business activities were structured into the operating segments BioProducts, BioScience and BioIncubator.

The **BioProducts segment** mainly consists of its industrially scalable products business focusing on specialized enzymes and proteins. Revenue development in this segment was nearly flat at € 42.6 million versus € 42.5 million in the previous financial year. While some sub-segments have been growing very dynamically other business activities within the segment performed below expectations. This was particularly due to the slower than expected ramp curve of the second large-scale fermenter. The fermenter has now been successfully commissioned. The segment's total operating performance retracted slightly from € 42.8 million in the previous year to € 42.6 million. The segment's adjusted EBITDA was at € 5.3 million versus € 5.5 million last financial year. This slight decline is mainly attributable to adverse product mix changes and the costs associated with the ramp of the second large scale fermenter.

The **BioScience segment** includes the research and development business with industrial partners. In this segment, revenue decreased by 13.1 % from € 12.3 million to € 10.7 million. This is attributable to the generally weak economic environment and corresponding postponements in the project business. Total operating performance decreased by € 2.2 million to € 11.2 million. The segment's adjusted EBITDA stood at - € 0.2 million after € 0.8 million in the previous financial year.

The **BioIncubator segment** includes the external R&D project pipeline and the company's own R&D projects offering high value-creation potential. The segment generated revenue of € 1.7 million, which was strongly up from € 0.6 million in the previous reporting period. This revenue was generated primarily by milestone and license income from pharma-related projects. The segment's negative adjusted EBITDA is mainly driven by high investments in genome editing and amounted to € -2.1 million in the financial year (previous € -2.7 million). Gross investments into the Akribion Genomics platform were € 3.0 million versus € 3.3 million in the previous year.

Key financials from Financial Year 2023/24:

(in € million)	<b>12M 2023/24</b>	<b>12M 2022/23</b>
Revenues	54.6	55.3
BioProducts	42.6	42.5
BioScience	10.7	12.3
BioIncubator	1.7	0.6
Total operating performance <sup>1</sup>	55.5	57.1
Adjusted EBITDA <sup>2</sup>	-0.4	0.4
EBITDA	-4.0	-0.8
Operating cash flow	-3.6	-4.2
	<b>30.09.2024</b>	<b>30.09.2023</b>
Cash and cash equivalents	27.2	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 Annual report 2023/24

## Outlook for 2025

For the financial year 2024/25 BRAIN Biotech expects to accelerate its revenue growth path in line with the projected mid-term growth forecast. Adjusted EBITDA growth is expected to be above sales growth. In line with its communicated strategy the company will continue to explore bolt-on acquisitions that can add product expertise and accelerate growth further.

The full quantitative guidance for the financial year 2024/25 will be issued with the 3M reporting on February 26, 2025.

The company had recently updated its mid-term guidance during the 2024 Capital Markets Day. BRAIN Biotech will further sharpen its focus on profitable growth and now targets for its growth segment BRAINBiocatalysts € 100 million revenues and an adjusted EBITDA margin of 15 % within the next five years. In addition, the company intends to continuously harvest high value opportunities from its BioIncubator pipeline.

Link to BRAIN Biotech AG Annual Report 2023/24:  
<https://reports.brain-biotech-group.com/report-2024/en/>

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## BRAIN Biotech Group

The BRAIN Biotech Group is a leading company in the research, development and production of specialty enzymes with a focus on the food and life science industries. In addition, the Group develops microbial production organisms and scalable bioprocesses for the economic production of specialty enzymes and other proteins. Customized innovative biological solutions for more sustainable products and processes round off the portfolio.

The parent company of the BRAIN Biotech Group is BRAIN Biotech AG. The business activities of the integrated company are divided into the two segments BRAINBiocatalysts (development, production and distribution of specialty enzymes, microorganisms, ingredients) and BRAINBioIncubator (research-intensive development projects, pharmaceuticals). For production, the Group operates fermentation plants in the UK as well as 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 325 people at several locations and generated revenues of EUR 54.6 million in the 2023/24 financial year. Further information can be found at: [www.brain-biotech-group.com](http://www.brain-biotech-group.com).

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**The BRAIN Biotech Group on social media and on the internet:**

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Web: [www.brain-biotech-group.com](http://www.brain-biotech-group.com)

LinkedIn: <https://www.linkedin.com/company/brainbiotech>

Threads: <https://www.threads.net/@brainbiotechag>

Bluesky: <https://bsky.app/profile/brain-biotech-group.com>

X: <https://x.com/BRAINbiotech>

Youtube: <https://www.youtube.com/channel/UCS33HJqku674X22UQ8QIsyg>

Biocatalysts Ltd (Production, Sales)

LinkedIn:

[Biocatalysts Ltd on LinkedIn](#)

[Biocatalysts Baking on LinkedIn](#)

[BRAIN-Biocatalysts Life Science Solutions on LinkedIn](#)

BRAIN Biotech Zwingenberg (Research & Development)

Web: [www.brain-biotech.com](http://www.brain-biotech.com)

AnalyticonDiscovery (Research & Development)

Web: <https://ac-discovery.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 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.