

PRESS RELEASE

BRAIN publishes annual report for financial year 2016/17

Zwingenberg, Germany
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The bioeconomy company BRAIN AG today published its annual report 2016/17 including the detailed consolidated financial statements for the financial year 2016/17. Key figures about the positive business development were published by BRAIN already on December 15, 2017. Accordingly, the BRAIN Group increased its revenues in the reporting period from October 1, 2016, to September 30, 2017, by 5.8% from € 22.8 million to € 24.1 million. Total operating performance grew by 3.0% year-on-year, from € 26.1 million to € 26.9 million. Adjusted EBIT for the financial year 2016/17 improved from € -7.6 million in the previous year to € -6.4 million. Cash flow from operating activities improved to € -5.8 million compared with € -8.7 million in the same period of the previous year.

The 2016/17 financial year was the first full reporting cycle as a listed company, following BRAIN's IPO in February 2016. The Management Board is satisfied with the results achieved in financial year 2016/17 and is adhering to the corporate growth targets: "We made good progress in the past financial year. In particular, the successful conclusion of contracts with new partners for our biological sweetener program DOLCE and the completion of our BRAIN BioXtractor demonstration plant to isolate precious metals from side and waste streams represent major progress in our own product development programs. We sense clear optimism for the bioeconomy and we see that we can enable pioneering innovations based on our competencies and participate in the sustained growth

B·R·A·I·N
Biotechnology Research
And Information Network AG
Darmstädter Str. 34-36
64673 Zwingenberg
Germany
www.brain-biotech.de

IR Contact
Dr. Martin Langer
Executive Vice President
Corporate Development
Tel.: +49-(0)-6251-9331-16
Fax: +49-(0)-6251-9331-11
E-Mail: ir@brain-biotech.de

Media Contact
Thomas Deichmann
Head of Public Relations
Tel.: +49-(0)-6251-9331-72
Fax: +49-(0)-6251-9331-11
E-Mail: td@brain-biotech.de

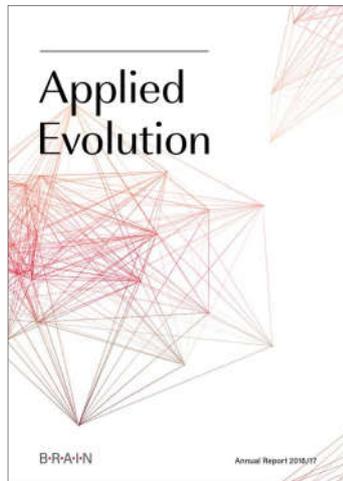
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of the bioeconomy. Accordingly, we are sticking to our business targets and are consistently pursuing our growth strategy”, says Dr Jürgen Eck, CEO of BRAIN AG.

BRAIN's strong position in the bioeconomy is reflected in the interest of the capital market and the positive share price development. The 2015/16 financial year ended in September 2016 with a closing price of € 11.70. As of the end of the 2016/17 financial year, the share price stood at € 19.70, which corresponds to an increase of more than 68 percent for the year.

In September 2017, as the result of a capital increase, 1,641,434 new registered no-par value shares were subscribed by the long-term investor DAH Beteiligungs GmbH. The generated proceeds of € 28 million shall be used for M&A transactions. “In the 2017/18 financial year, our main focus will be on accelerating corporate growth. The implementation of our M&A strategy and the associated creation of additional market access is an important growth factor”, comments Frank Goebel, CFO of BRAIN AG.

The annual report 2016/17 of BRAIN entitled „Applied Evolution“ can be accessed at <https://www.brain-biotech.de/en/investor-relations/financial-publications>. In addition to the audited group financials and management discussion, the report also provides insights into the variety of topics of the bioeconomy and into selected research and development activities as well as into BRAIN's self-conception. Upon request, a printed copy can be sent by post.



About BRAIN

B.R.A.I.N. Biotechnology Research and Information Network AG (BRAIN AG; ISIN DE0005203947 / WKN 520394) is one of Europe's leading technology companies in the field of industrial biotechnology, the core discipline of Bioeconomy. As such, BRAIN identifies previously untapped, efficient enzymes, microbial producer organisms or natural substances from complex biological systems that can be put to industrial use. The innovative solutions and products developed by help of this „Toolbox of Nature“ are successfully applied in the chemistry, the cosmetics and the food industries. BRAIN's business model is based on two pillars – BioScience and BioIndustrial. The BioScience comprises its frequently exclusive collaboration business with industrial partners. BioIndustrial comprises the development and commercialization of BRAIN's own products and active product components. Further information is available at www.brain-biotech.de/en.

Disclaimer

This press release contains forward-looking statements. These statements reflect the current views, expectations, and assumptions of the management of BRAIN AG and are based on information currently available to the management. Forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. There are numerous factors which could influence the future performance by and future developments at BRAIN AG and the BRAIN group of companies. 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, and other factors. BRAIN AG does not undertake any obligation to update or revise any forward-looking statements.