

Zwingenberg, Germany, 26. February 2021

BRAIN AG Q1 '20/'21 Results

- **Strong performance of Biocatalysts**
- **BioScience high comparison base and lower milestones**
- **Solid Cash Position**

Today, B.R.A.I.N. Biotechnology Research and Information Network AG (BRAIN AG, ISIN DE0005203947 / WKN 520394) published its results for the first quarter of the financial year 2020/21. Group revenues in the reporting period from October 1, 2020 to December 31, 2020 decreased by 21.7 % to € 8.1 million from € 10.3 million. This is mainly attributable to the BioScience segment which has a highly volatile revenue recognition quarter on quarter due to timing effects and milestone payments. The Group adjusted EBITDA decreased to € -1.4 million from € -0.2 million in the first three months of the 2020/21 financial year.

In the same period, the BRAIN Group generated a total operating performance of € 8.5 million compared to € 10.4 million in the same period of the previous year. The total operating performance was thus 18.3 % lower than in the previous year. The cash position at the end of the quarter amounted to a solid € 16.1 million.

Business Development by segment

The BioScience segment, which includes the R&D business with industrial partners, achieved revenues of € 2.0 million in the first quarter of 2020/21, minus 50% from the prior-year quarter. The BioScience segment is very volatile on a quarter on quarter basis due to timing effects of contracts and larger milestone payments. BRAIN expects an improvement of the divisional sales performance during the course of the year. Adjusted EBITDA of this segment decreased to € -1.7 million from € -0.6 million, mainly due to lower revenues.

Revenues of the BioIndustrial segment, which covers the scalable product business, slightly declined in the reporting period to € 6.1 million from € 6.3 million. The segment has been faced by a diverging revenue trend of our daughter companies: Biocatalysts Ltd. had a very strong quarterly sales performance while WeissBioTech GmbH posted lower sales volumes driven by headwinds from the pandemic and structural challenges.

Adjusted EBITDA of the BioIndustrial segment has been slightly lower to € 0.3 million from € 0.4 million in the first quarter of the financial year 2020/21.

Lukas Linnig, CFO of BRAIN AG, says: "The Covid-19 pandemic is imposing challenges to all companies. We are very actively managing the risks to our employees and the overall business. The BioScience business has been off to a soft start in Q1 but we are confident to see an improving performance during the next quarters. The issues at WeissBioTech are analyzed and will be tackled. We are very happy with the performance of our enzyme products business at Biocatalysts. BioIndustrial as a division will get back to growth in the next quarters."

Key financials (first three months of the financial year 2020/21)

(in € million)	3M 2020/21	3M 2019/20
Revenues	8.0	10.3
BioScience	2.0	4.0
BioIndustrial	6.1	6.3
Total operating performance ¹	8.5	10.4
Adjusted EBITDA ²	-1.4	-0.2
EBITDA	-1.59	-0.3
Operating cash flow	-2.1	-0.6
	31.12.2020	30.09.2020
Cash and cash equivalents	16.1	18.9

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

2 The reconciliation from adjusted to unadjusted EBITDA can be found in the quarterly statement for the period ended 31 December 2020

More detailed information on the financial results are available at www.brain-biotech.com/investors/financial-publications as part of the quarterly statement for the period ended 31 December 2020.

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 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 by, and future developments at, BRAIN AG and the BRAIN 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 AG does not undertake any obligation to update or revise any forward-looking statements.

Financial Calendar:

www.brain-biotech.com/investors/financial-calendar

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 area of industrial biotechnology, the core discipline of the bioeconomy. As such, BRAIN identifies previously untapped efficient enzymes, microbial producer organisms and natural substances from complex biological systems, in order to make them utilizable in an industrial context. The innovative solutions and products developed by means of "Nature's Toolbox" are successfully applied in the chemicals, cosmetics and food industries.

BRAIN's business model stands on two pillars. The BioScience segment comprises mainly research and development business with industrial partners, and the company's own research and development. The BioIndustrial segment consists mainly of business with industrially scalable products. As part of a growth-oriented industrialization strategy, in February 2016 BRAIN AG became the first bioeconomy company to be listed on the Prime Standard of the Frankfurt Stock Exchange.

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