

## BRAIN Biotech AG reports record figures in fiscal year 2021/22 – despite challenging geopolitical environment

- **Group sales grew by 29%**
- **Total operating performance exceeds for the first time 50 million euros**
- **Both business segments with strong growth and increasing profitability in the past fiscal year**
- **Foundations laid for ongoing future dynamic growth**

**Zwingenberg, January 16, 2023** – BRAIN Biotech, a leading provider of solutions for the biologization of industry, today presented its Annual Report 2021/22. With consolidated revenues of EUR 49.5 million and total operating performance of EUR 53.1 million in the reporting year, the Group recorded very encouraging growth of 29% and 30%, respectively, compared to the previous fiscal year and despite the challenging geopolitical environment. Without bottlenecks in the supply chain and logistic services, the company's growth could have been even more dynamic.

The strong organic growth originated from an improved order intake in the project business in the BioScience segment as well as from an expanding product business in the BioIndustrial segment. Adriaan Moelker, CEO of BRAIN Biotech AG: "The 2021/22 financial year was characterized by various geopolitical crises and the continuing effects of the pandemic situation. Nevertheless, and as planned, we were able to continue to significantly expand our product business, particularly in enzymes, and revive our project business in the Tailor-Made Solutions area to the pre-crisis level. We will continue on our path of further strengthening the product business and focusing our research services as a provider of integrated solutions. I am very proud to be able to present a record year in this challenging environment and would like to expressly thank all our employees for their outstanding personal commitment."

Despite continued high investments, BRAIN Biotech AG was able to significantly improve the adjusted operating result before depreciation, amortization and taxes (adjusted EBITDA) to negative -98 thousand euros from negative -2.1 million euros in the previous year. Without the continued high investments in the development of the genome editing business under the brand name Akribion Genomics, adjusted EBITDA would have been around a positive 1.9 million euros. CFO Michael Schneiders highlights, "We were able to close the past fiscal year in line with our full-year guidance despite ongoing stressed supply chains as well as high cost inflation for energy, wages and upstream products. Our business model is proving increasingly robust. By continuing to invest heavily, we have also been able to lay the foundations for further

profitable growth in the coming years. I am firmly convinced that in the medium term the performance of our share price will follow the very positive fundamental development of the company."

## Development of the segments

Biotechnological research and the development of biotechnological processes and products build the basis of the business activities of the BRAIN Biotech Group. The **BioScience segment** comprises the R&D business with industrial partners and the Group's own research & development. In this segment, revenues increased by 17.1% from € 10.3 million to € 12.1 million, due to the renewed strength of the R&D project business. Revenues from research and development funding decreased slightly to € 0.6 million compared to the previous year. Total operating performance increased by €2.0 million from €11.5 million to €13.5 million. Adjusted EBITDA for the segment improved from € -5.4 million in the previous year to € -4.9 million, despite an increase in investments in genome editing platform technology from € 1.5 million to € 2.0 million. This improvement was mainly due to increased revenues and successful cost control.

The **BioIndustrial segment mainly** comprises the industrially scalable product business with a focus on enzyme products. Sales revenues of the BioIndustrial segment increased from €28.2 million to €37.5 million. The segment's 33.0% revenue increase was mainly attributable to increased enzyme sales. In addition to organic growth, the acquisition of the Breatec Group also contributed to this increase. The resulting total segment operating performance increased almost in line with sales by 35.4% from €29.4 million in the previous year to €39.8 million. The adjusted EBITDA of the segment grew significantly from € 3.3 million to € 4.9 million, stressing the high importance of the profitable industrial segment for the overall profitability of the BRAIN Group.

## Outlook

The company will continue to systematically pursue its strategy of sustainable profitable growth. For the fiscal year 2022/23, the Executive Board expects a business development with further increasing sales and – despite continuing high investments at the previous year's level – an also further increasing adjusted EBITDA. In this forecast, investments in the area of the novel genome editing tool (Akribion Genomics) are reported separately and build no subject of this forecast. It is still intended to transfer the Akribion Genomics activities to a separate legal entity during fiscal year 2022/23 and to attract additional external sources of financing.

BRAIN Biotech will provide investors with detailed insights into the company's medium-term development, publish its quantitative full-year guidance and report on progress in the incubator pipeline at the Fourth Capital Markets Day on February 27, 2023.

**Link to the BRAIN Biotech AG Annual Report 2021/22:**

<https://www.brain-biotech.com/investors/financial-publications/2021-22>

*Press image:*



**Cover sheet of the Annual Report 2021/22 of BRAIN Biotech AG. Copyright: BRAIN Biotech AG**

### **About BRAIN**

BRAIN Biotech AG (“BRAIN”) is a leading European industrial biotechnology specialist with a focus on nutrition, health and the environment. As a technology and solutions provider the company supports the biologization of industries with bio-based products and processes. From contract R&D with industrial partners to advancing own disruptive incubator projects and customized enzyme products, BRAIN’s broad cutting-edge biotech expertise and its agile teams are key to success. – BRAIN Biotech AG, Germany, is the parent company of the international BRAIN Group, distributing specialty B2B products like enzymes or bioactive natural products. The BRAIN Group has its own fermentation or production facilities in Continental Europe, UK and the US, which together with the associated biotechnological solution competency complete the value chain within the group. – As a Participant of the United Nations Global Compact, BRAIN Biotech AG is committed to aligning strategies and operations with universal principles on human rights, labour, environment and anti-corruption and to actively advance common societal goals. BRAIN Biotech’s products and services target at least five of the UN SDGs directly. - Since its IPO in 2016, BRAIN Biotech AG is listed in the Prime Standard of the Frankfurt Stock Exchange (ISIN DE0005203947 / WKN 520394).

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BRAIN Biotech AG does not undertake any obligation to update or revise any forward-looking statements.