

BRAIN Biotech AG

Creating a #BiobasedFuture

Equity Forum Fall Conference 2024

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Frankfurt, September 3, 2024

WE SUPPORT



Since 2021 we have been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labor, the environment and anti-corruption.



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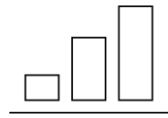
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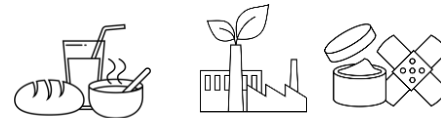
Who is BRAIN Biotech?

investing in the century of the bioeconomy



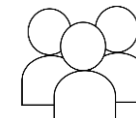
~ € 55.3m

Revenues



~ 600

Specialty products for B2B



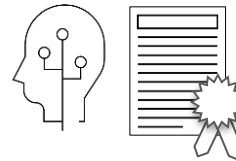
310

Employees



€ 402,000

Adjusted EBITDA



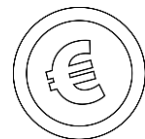
40

Active patent families with varying numbers of individual patents



> 30

Years of Experience



32 %

Equity ratio



~ 200

Industrial Partnerships



2016

Listed, Frankfurt Prime Standard

All figures FY 2022/23

Why Does Biotech Matter to You?

sustainability through biotechnology



Climate change & exceeding the earth's limits



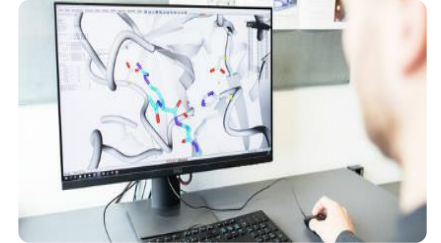
Nature is our role model for solving complex problems



Comprehensive technology package: valuable for various fields of application & markets



We have the methods & skills to seriously counteract climate change towards a biologized & sustainable industry

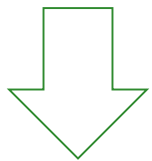


#BRAINimpact: Projects and enabling Technologies

solutions provider for the megatrends, sustainability embedded



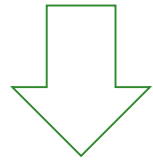
Food security and improved nutrition



**Natural preservatives
Milk without the cow
Plant based proteins**



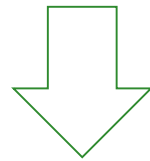
Improving health and well-being



**Natural sweetener
Salt reduction
Drug API development
Enzymatic wound care**



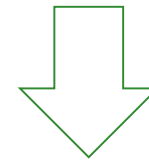
Minimizing pollutants in industrial processes



**Urban mining
Battery recycling
Utilize food sidestreams**



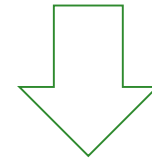
Promoting sustainable industrialization



**CO₂ as feedstock
Enzymatic syntheses
Biolubricants**



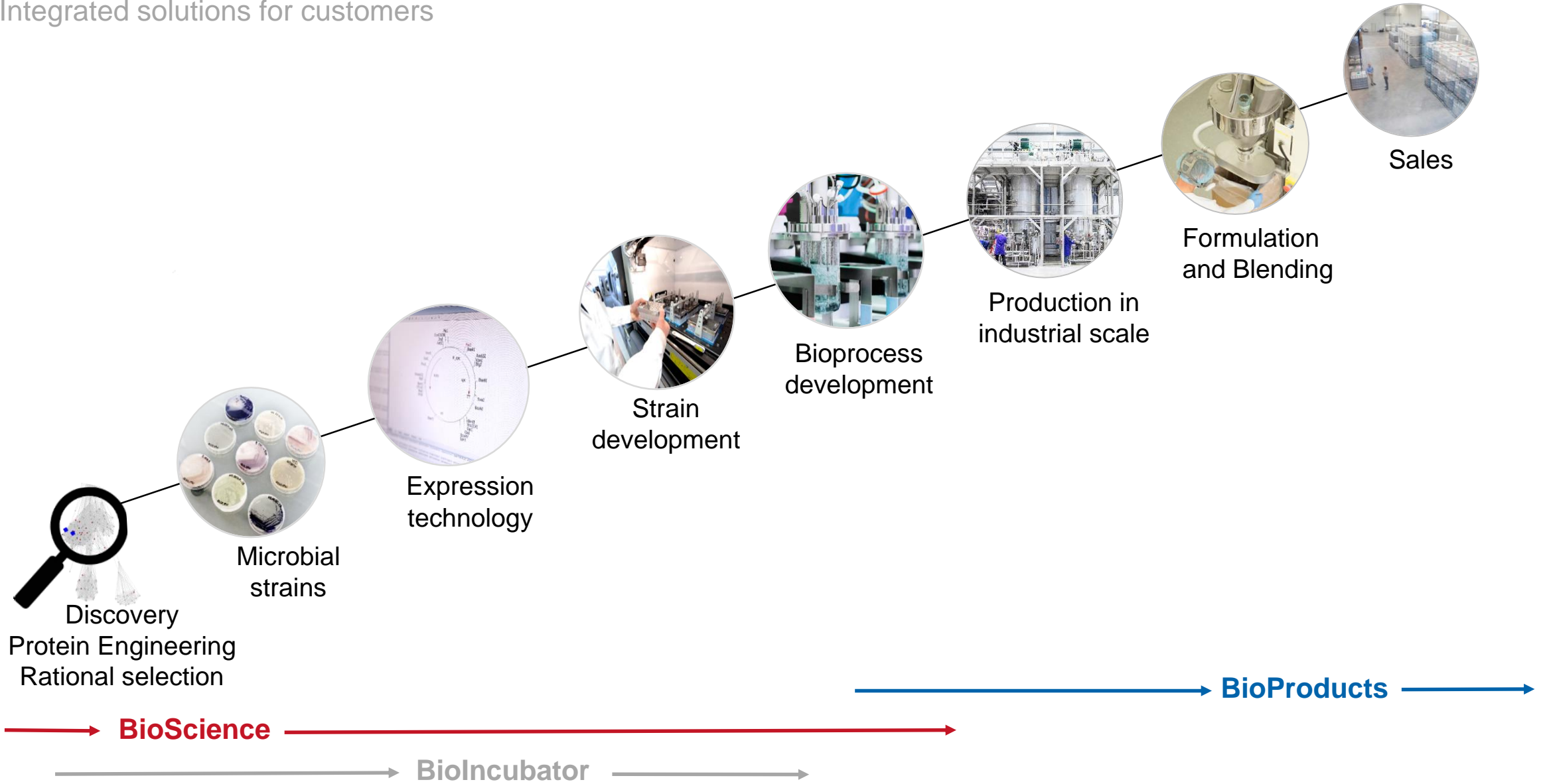
New techniques for precise gene editing



**Enabling technology
Fast & precise
Novel mode of action**

BRAIN Biotech as a solutions provider across the value chain

Integrated solutions for customers



Enabling Bio-Process Driven Production

from design to industrial scale production



Process design & development

- Process simulation
- Fermentation: 1 L – 200 L



Scale up

- Fermentation: 70 L – 750 L
- DSP scale up



Industrial production

- Fermentation: 2 x 10m³
- Regulatory & Quality
- Manufacturing



Downstream processing (DSP)

- Product purification
- Analytics for product characterization

▶ **Seamless transition from production strain development to the finished enzyme product**

MetXtra – Find Your Unique Enzyme

over 30 years of experience combined with Bioinformatics, Machine Learning & AI

MetXtra™ Suite ▶ BRAIN Biotech's Enzyme Discovery Technology

MetXtra™ db ▶ Proprietary sequence **database** (99.8% novelty)

MetXtra™ ai ▶ **AI** predictions for enzyme selection

MetXtra™ sb ▶ **Structural bioinformatics** for enzyme selection

MetXtra™ ds ▶ **Design** of artificial enzymes via bioinformatics and AI

Efficient & transparent Organization

aligning external reporting with business accountability

B·R·A·I·N Biotech AG

BioProducts

Enzyme products, microorganisms & ingredients



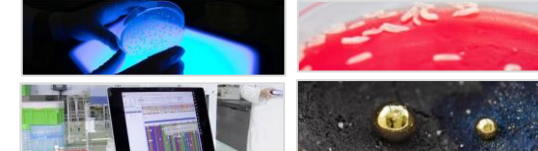
BioScience

R&D services for tailor-made solutions



BioIncubator

Projects & participations to create innovative solutions



UK – Germany – Netherlands - USA

B·R·A·I·N Biotech Zwingenberg

AnalytiCon
discovery

B·R·A·I·N Incubator Akribion Genomics



SolasCure

PHA121

~ €42.5m Annual Revenues
~ 13% + adj. EBITDA Margin

~ €12.3m Annual Revenues
~ 6% adj. EBITDA Margin

Create Additional Upside via TMS + *

~ €0.6m Annual Revenues
~ €4m Total Investments
thereof ~ €3.3m Akribion Genomics
Gross investment

*TMS+ = Tech Access Fees, Royalties & Production Strain Licensing

Efficient & Transparent Organization

gaining financial flexibility via strategic reorganization

BRAIN Biotech AG “Holding”

- Active portfolio management
- Facilitate cross-divisional synergies
- Drive M&A
- Equity financing for strategic considerations

BioProducts



- High organic growth
- Bolt-on M&A
- Solid cash flow
- Good debt capacity
- Dividend upstreaming to holding

BioScience

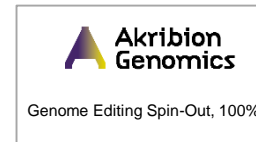


- Engine for One BioProducts & Incubator
- Enabling BRAIN as integrated solutions provider
- TMS+* driving future profitability

BioIncubator



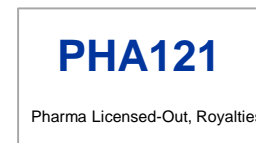
- Further increased focus
- Risk sharing with partners
- IP driven / capital light
- Commercialize



- Spin-out
- Growth financing & focus
- Therapeutics Opportunity



- Evaluate all options post Phase 2a
- De-risk financially
- Keep royalty upside



- TMS / Milestones / Royalty
- Clinical fully partner driven
- Explore similar projects

*TMS+ = Tech Access Fees, Royalties & Production Strain Licensing

Business Highlights 9M FY 2023/24: BioProducts

stable YoY but with excellent starting positions for future growth

➤ BioProducts

➤ Baking Enzymes continues on a very strong growth path – well ahead of market growth rate

- new key accounts
- active mix management

➤ Beverages and Starch processing enzymes fully turned around

- back on the growth path
- improved product mix
- strong margin generation – EBITDA positive
- new key accounts

➤ Food specialities and Fermentation stable YOY

- commissioning 2nd fermenter delayed expansion

➤ Overall sales acceleration still expected in Q IV

Business Highlights 9M FY 2023/24: BioScience

strong project pipeline for 2024/25

➤ TMS

- business facing tougher market conditions; lack of demand as innovation budgets are reduced/postponed
- recruited new TMS-Enzymes lead for business development - Dr. Erik de Vries

➤ Strong progress on Akribion

- continued substantial investment
- excellent scientific results in using G-dase enzymes for both therapeutics and industrial purposes
- spin out remains our target for Therapeutics whilst retaining all industrial use rights at BRAIN

➤ SolasCure

- competitive activity: further proof that the market is looking for and investing in enzymatic debridement
- preparing Phase 2b

Financial Highlights 9M FY 2023/24 at a Glance

major milestone income in BioIncubator –BioScience with weakening momentum since Q1

(in € thousand)	9M 2023/24	9M 2022/23	Growth	Organic Growth	Q3 2023/24	Q3 2022/23	Growth	Organic Growth	Comment
Revenues	40,394	40,393	0.0%	0.0%	13,190	13,223	-0.2%	-0.2%	
BioProducts	30,369	30,346	0.1%	0.1%	10,550	9,493	11.1%	11.1%	
BioScience	8,526	9,564	-10.9%	-10.9%	2,704	3,244	-16.7%	N/A	Milestones €210k 9M 23/24 Milestones €89k 9M 22/23
BioIncubator	1,630	495	229.4%	N/A	29	320	N/A	N/A	Pharvaris Milestone (€1,500k), Akribion License & TMS Sales
Total operating performance (1)	40,834	41,777	-2.3%	N/A	13,477	13,683	-1.5%	N/A	
Adjusted EBITDA (2)	-1,193	-920	-29.6%	N/A	-712	-5	N/A	N/A	(-) €694K ESOP 9M FY23/24 (-) €557K ESOP 9M FY22/23
EBITDA	-1,888	-1,609	-17.3%	N/A	-974	-260	N/A	N/A	
EBIT	-5,402	-4,958	-9.0%	N/A	-2,149	-1,394	-54.2%	N/A	
Net Result	-7,168	-6,445	-11.2%	N/A	-2,563	-1,836	-39.6%	N/A	
Operating Cash Flow	-2,670	-4,480	40.4%	N/A	516	1,078	-52.1%	N/A	
	30.06.2024	30.09.2023							
Cash	12,966	5,352	142.3%	142.3%					

	9M 23/24	9M 22/23	Growth	Organic Growth
Number of Employees (3)	309	309	0.0%	0.0%
Material Expense Ratio	42.5%	46.2%	- 3.7% PP.	- 3.7% PP.
Adj. Personnel Expense Ratio	43.0%	40.8%	2.1% PP.	2.1% PP.

➤ Akribion Genomics gross investments
@ 9M ~ € 2.3 million (9M LY ~ € 2.7 million, timing)

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

(2) The full reconciliation from adjusted to unadjusted EBITDA can be found in the quarterly report

(3) Excluding Board members, managing directors, temporary staff, students and trainees

Major Events 9M '23/'24:

- **BioProducts:** Q3 on Q2 level but not strong enough to overcompensate weak Q1, still acceleration in Q4 expected; high growth momentum especially at Breatec maintained; WeissBioTech keeps improving
- **BioScience:** strong Q1; business weakened over the quarters: delay in project intake and lower library sales to pharma
- **BioIncubator:** with EUR 1.5 million gross deucricitibant milestone from Pharvaris in Q2; additional license revenue from Akribion Genomics activities
- **Adjusted EBITDA:** only adjustments for ESOP of € -694k

Cash & Cash Flow

cash position significantly strengthened; all financing measures successfully executed

(in € thousand)	9M 2023/24	9M 2022/23	Growth	Q3 2023/24	Q3 2022/23	Growth	Comment
Gross Cash Flow	-6,179	-4,026	-53.5%	-1,809	-1,228	-47.3%	
Operating Cash Flow	-2,670	-4,480	40.4%	516	1,078	-52.1%	Active WC and receivables management
Investing Cash Flow	-1,338	1,070	-225.1%	-609	-623	2.3%	Divestment of L.A.Schmitt €3mio in 3M 22/23
Financing Cash Flow	11,574	203	5600.7%	2,870	-4,404	165.2%	Strong refinancing activities
Net change in Cash & Cash Equivalents	7,566	-3,207	335.9%	2,777	-3,950	170.3%	
	30.06.2024	30.09.2023					
Cash	12,966	5,352	142.3%				
Equity	17,562	23,013	-23.7%				

- Overall strong cash position now at € 13 million (up from € 10 million at 6M)
- Additional financing recorded since 6M:
 - € 5 million non-dilutive financing: silent participation Hessen Kapital, € 4.1 million net cash-in after repayment Hessen Kapital I
 - additional non-dilutive measures with reach beyond 23/24 in negotiations
- Active working capital and receivables management improved operating CF

Our Targets

FY Guidance and Mid-Term Targets

Updated FY Guidance: lower end of initial sales guidance

Quantitative Guidance

Group sales: € 58 to 62 million

- BioProducts and BioScience both contributing

Adj. EBITDA

- to improve at least in-line with revenue development

Akribion Genomics

- associated expensed investments: ~ € 3.3 million (flat YoY)

Group CAPEX

- € 3 - 4 million

(as far as this guidance is concerned any changes in the consolidation scope are considered separately and do not form part of this forecast)

Mid-Term Targets - Unchanged

(issued 02/23; 4-6 year targets)

(excluding Akribion Genomics)

€ 100 million group revenues

- Double digit topline product CAGR on average
- Accretive bolt-on M&A
- Contract research, TMS, low single digit growth (excluding milestones and royalties)

Group adj. EBITDA margin 15% (+/- 5PP)

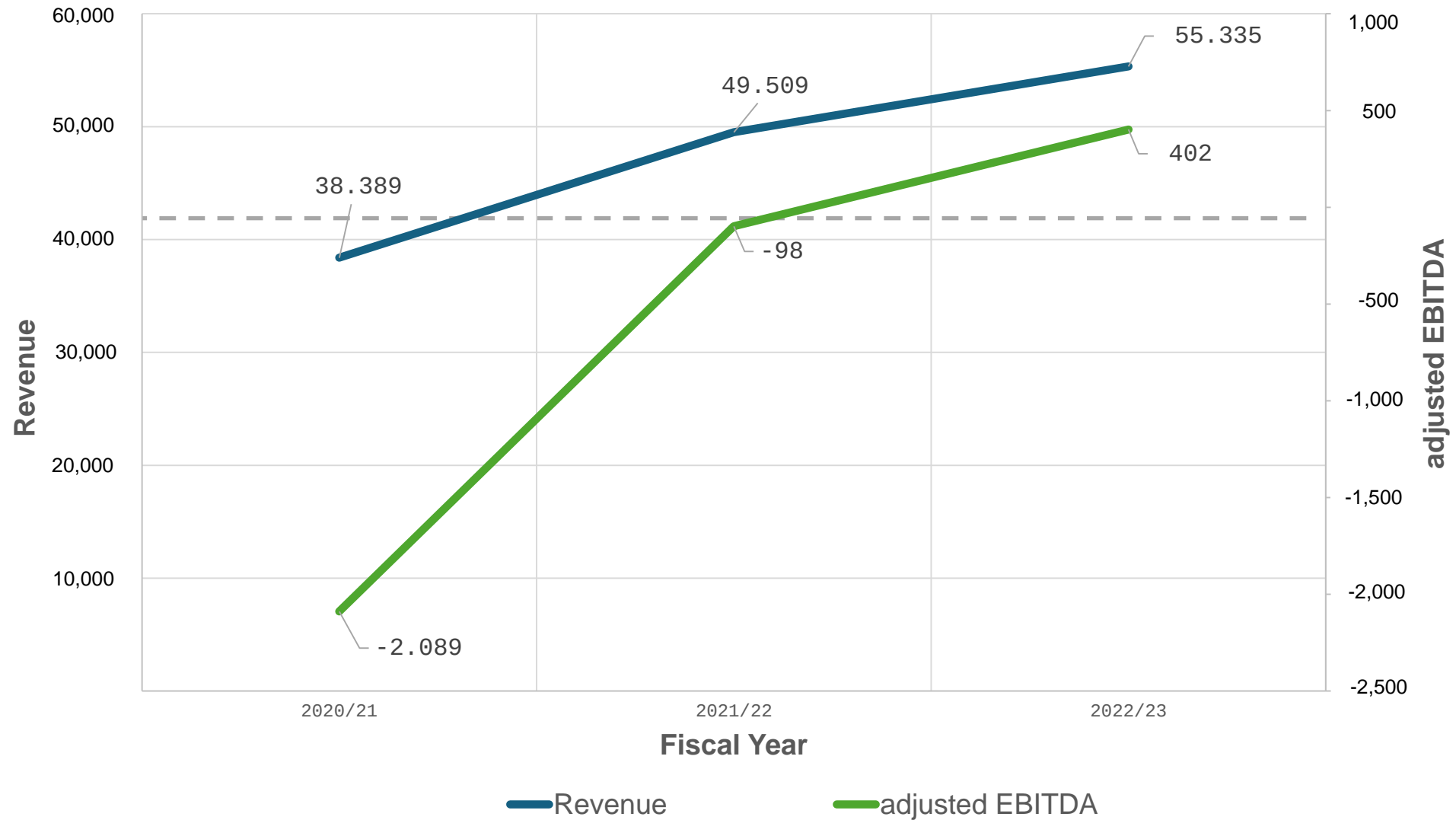
- Double digit fermentation production volume of customized novel enzymes
- Mid-single digit annual productivity improvements & synergies

Proportion of new product sales: ~30% of product revenues

- Continuous innovation pipeline management

Profitable sales growth is our objective

strong positive trend in our key performance indicators revenue & adjusted EBITDA



Why invest in BRAIN Biotech?

Five strong reasons



1. By investing in BRAIN Biotech, you are investing in sustainable growth in the dawning age of biology

With our disruptive bio-based products and solutions with a focus on nutrition, health, and the environment, we support the development of the economy towards a bioeconomy. We focus entirely on customers in the B2B segment



2. With our solutions, we address some of the megatopics for a better, healthier and more sustainable life

Our own R&D as well as the research programs we conduct together with our partners aim to develop solutions that lead to a better, healthier, and more sustainable life.



3. We actively contribute to more sustainable industrial production and entry into the circular economy

We are a leading company in the service of the bioeconomy with focus on industrial biotechnology (“white biotechnology”). In this type of economy, biotechnological processes are harnessed for sustainable production on a natural basis. Our products and solutions directly address the following UN SDGs: 2, 3, 6, 9, 12 and 13.



4. We have an attractive portfolio of biotechnology solutions and processes

We possess extensive and well-founded knowledge concerning enzymes, microorganisms, cell-based test systems, and bioactive natural compounds. An interdisciplinary approach enables us to conceive and develop completely new products and services for our customers.




5. We have embarked on a clear path towards profitable growth

We aim to double the Group’s revenue in the medium term while at the same time increasing the adjusted EBITDA margin. The BioProducts area is the Group’s primary growth segment and we geographically focused on Europe and North America.

Our analyst ratings

BioProducts and BioIncubator as value drivers

Bank	Analyst	Price Target	Recommendation
	Leonildo Delgado	15.00 €	Buy
	Jan Koch	10.00 €	Buy
	Dr. Mohamad Vaseghi	6.50 €	Buy
	Fabien Le Disert	9.00 €	Buy
	Dr. Christian Ehmann	12.80 €	Buy

Thank you very much for your interest.



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