

# BRAIN Biotech AG

Creating a #BiobasedFuture

## Seat11a Presentation: 9M, FY 2022/23

Michael Schneiders, CFO

Zwingenberg, August 30<sup>th</sup>, 2023



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.



# Safe Harbor Statement

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This document may contain forward-looking statements. These forward-looking statements are subject to risks and uncertainties, as they relate to future events and are based on current assumptions of the Company, which may not occur at all in the future or may not occur as assumed. They do not represent a guarantee for future results or performance of the Company, and the development of economic and legal conditions may materially differ from the information expressed or implied in the forward-looking statements.

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By accepting this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business.

This presentation speaks as of August, 30<sup>th</sup>, 2023. Neither the delivery of this presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date. The term "BRAIN", as used in this presentation means Brain Biotech AG and its affiliates, if not otherwise specified.



# Who is BRAIN Biotech?

participating in the century of the bioeconomy

## **BRAIN Biotech AG** **aligning economic prosperity with sustainability**



**~ €50m**

'21/'22 Revenues



**~ 330**

Employees



**> 30**

Years of Experience



**> 535**

Specialty B2B Products



**> 150**

Industrial Partnerships

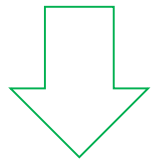
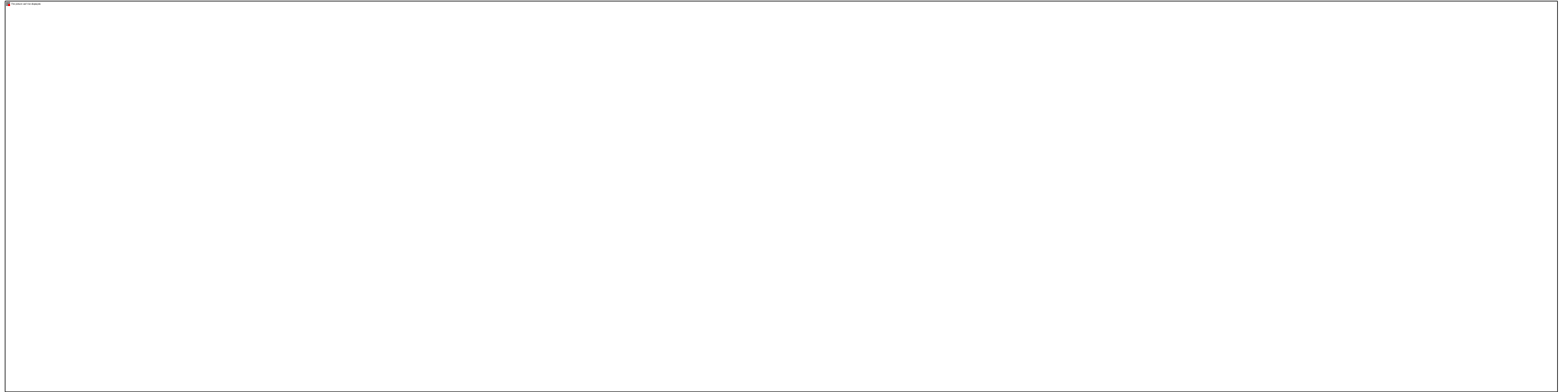


**2016**

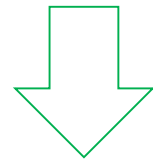
Listed, Frankfurt Prime Standard

# #BRAINimpact: Projects and Enabling Technologies

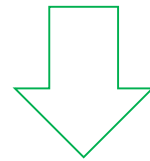
solutions provider for the megatrends, sustainability embedded



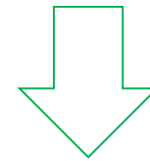
Natural preservatives  
Milk without the cow  
Plant based proteins



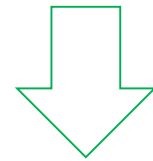
Natural sweetener  
Salt reduction  
Drug API development  
Enzymatic wound care



Urban mining  
Battery recycling  
Utilize food sidestreams



CO<sub>2</sub> as feedstock  
Enzymatic syntheses  
Biolubricants

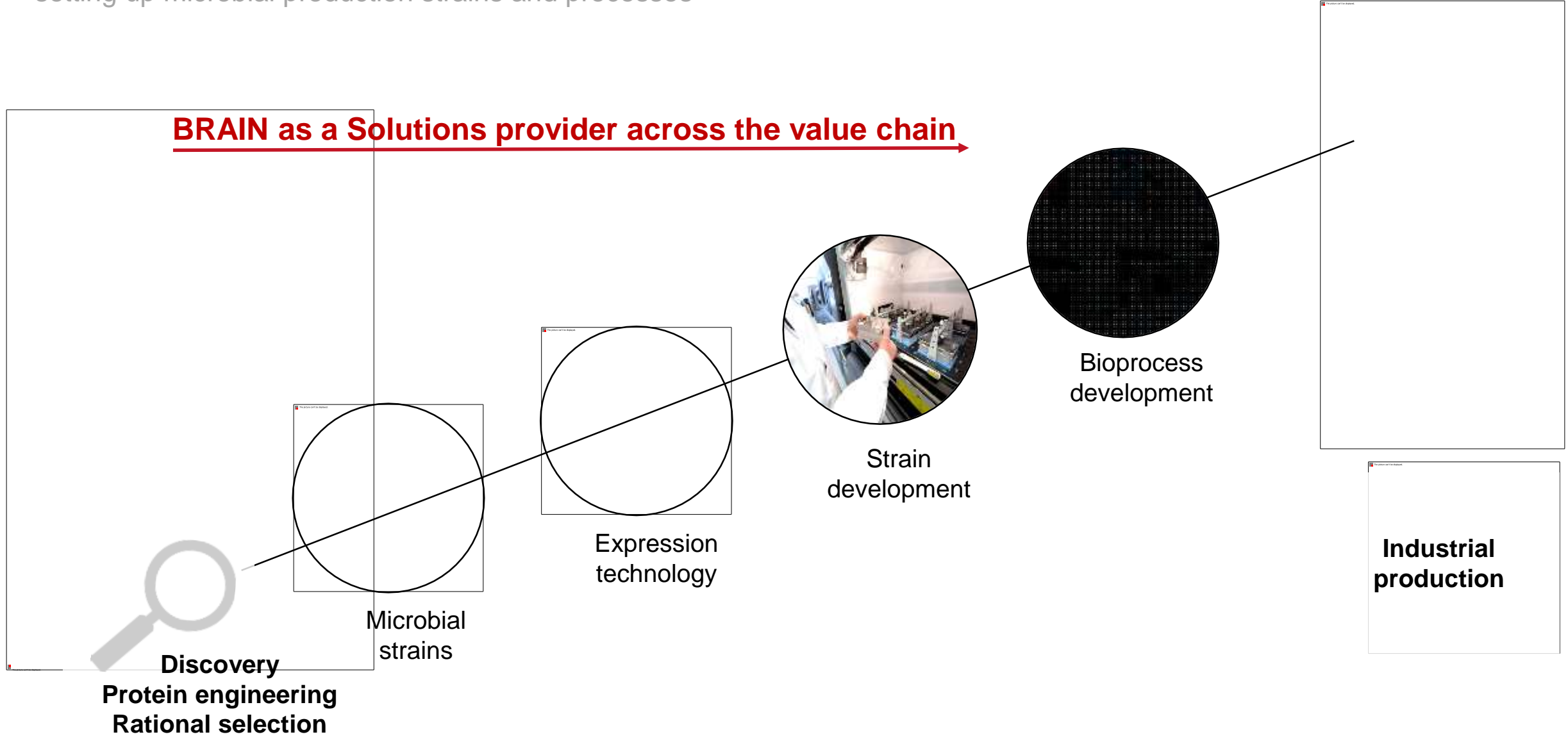


Enabling technology  
Fast & precise  
Novel mode of action



# From Candidates to Industrial Production Processes

setting up microbial production strains and processes



# Business Highlights 9M 22/23

staying on-track for the FY targets

- **Akribion Genomics License Revenues**
  - first license sales in healthcare with strong partner
  - additional license sale to BioProducts customers
  - ongoing USP for TMS and TMS+ business
  
- **Deucricitibant (PHA121)**
  - strong progress by Pharvaris
  
- **One BioProducts strategy now on the finishing line**
  - after successful buyout of Biocatalysts Ltd. minorities all industrial assets will be bundled under the legal roof of Biocatalysts as of the end of this FY
    - efficient organization
    - creating a Multi-Specialist Enzyme Champion
    - financing at the level of Biocatalysts
    - strong future integration with Zwingenberg R&D capabilities and proprietary genome-editing technology
  
- **Group Cash** position at EUR 5.3 million despite Biocatalysts minority purchase, solid
  
- FY and mid-term **targets remain unchanged**



# Financial Highlights 9M FY 2022/23 at a Glance

strong BioScience, BioProducts growth held back by technical commissioning issues

(in € thousand)	9M 2022/23	9M 2021/22	Growth	Organic Growth	Q3 2022/23	Q3 2021/22	Growth	Organic Growth	Comment
Revenues	40,393	35,974	12.3%	7.9%	13,223	12,707	4.1%	6.5%	Solid organic 9M growth
BioProducts	30,346	27,530	10.2%	3.9%	9,493	10,005	-5.1%	-2.4%	
BioScience	9,564	8,543	12.0%	12.0%	3,244	2,774	17.0%	N/A	Milestones 89K 9M 22/23 Milestones 188K 9M 21/22
BioIncubator	495	0	N/A	N/A	320	0	N/A	N/A	Akribion License Sales
Total operating performance (1)	41,777	37,188	12.3%			12,975	5.5%		
Adjusted EBITDA (2)	-920	-192	-379.0%		-5	-412	98.8%		(-) 557K ESOP 9M (-) 132K One BioProducts
EBITDA	-1,609	-1,442	-11.6%		-260	-717	63.7%		
EBIT	-4,958	-4,640	-6.9%		-1,394	-1,857	25.0%		
Net Result	-6,445	-6,205	-3.9%		-1,836	-2,456	25.2%		
Operating Cash Flow	-4,480	-1,032	-334.1%		1,078	30	3546.2%		
	30.06.2023	30.09.2022							
Cash	5,321	8,443	-37.0%	-27.1%					

	9M 22/23	9M 21/22	Growth	Organic Growth
Number of Employees (3)	308	309	-0.3%	8.4%
Material Expense Ratio	46.2%	44.4%	1.8% PP.	- 0.5% PP.
Adj. Personnel Expense Ratio	40.8%	42.5%	- 1.6% PP.	1.0% PP.

## Major Events 9M '22/'23:

- **Biocatalysts** solid organic growth of base business; technical issues commissioning second large scale fermenter burdening growth & margin
- **Breatec** very good performance and strong order pipeline; **Biosun** flat flavors business; **WeissBioTech** ongoing recovery in revenue and EBITDA
- **BioScience** very strong growth, this quarter driven by AnalytiCon Discovery library sales, solid Zwingenberg
- **BioIncubator** pleasing Akribion Genomics license income
- **Adjusted EBITDA**, adjustments for ESOP of EUR 557K and One BioProducts EUR 132K integration costs

➤ Akribion Genomics gross investments  
@ 9M ~€2.7 million (LY ~€1.9 million)

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

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

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

# Our Targets – Confirmed within Range

## FY Guidance and Mid-Term Targets

### This FY Guidance

#### Quantitative Guidance

Group sales: around EUR 54 to 57 million

- BioScience: high single digit
- BioProducts: low double digit

#### Adj. EBITDA

- low single digit million positive (ex Akribion Genomics)

#### Akribion Genomics

- associated expensed investments: ~ EUR 3.5 million

#### Group CAPEX

- 5-7 EUR million

Guidance issued under the assumption of no global recession and average exchange rates of EUR/USD at 1.02 & EUR/GBP at 0.87

### Mid-Term Targets, Unchanged

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

(excluding Akribion Genomics)

#### EUR 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



# Why Invest in BRAIN Biotech?

biotech the future

- ✓ Participate as an investor in the **biological-age**
- ✓ Enable sustainable industrial production and the **circular economy**
- ✓ Benefit from a portfolio of **enabling technologies**
- ✓ Core expertise in **genome editing**: the key enabling technology for the biological-age
- ✓ Secular growth driven by **megatrends** in: Nutrition, Health & Environment
- ✓ We have just started our new **accelerated revenue growth phase**
- ✓ Clear path to **profitability**

**“Molecules are becoming the new microchips”**

Walter Isaacson, former Time Magazine Editor



# Financial Calendar

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## ANNUAL REPORT

Publication of the annual report as of September 30<sup>th</sup>, 2023 (12M)

**January 17<sup>th</sup>, 2024**



## QUARTERLY STATEMENT

Publication of the quarterly statement as of December 31<sup>st</sup>, 2023 (3M)

**February 28<sup>st</sup>, 2024**



## ANNUAL GENERAL MEETING

Annual General Meeting (FY 2022/23)

**March 12<sup>th</sup>, 2024**



# Thank you very much for your interest.

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