9M 2025/26

QUARTERLY STATEMENT

as of June 30, 2026

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ABOUT BRAIN Biotech AG

The BRAIN Biotech Group is a leading company in the research, development and production of specialty enzymes with a focus on the food and life science industries. In addition, the Group develops microbial production organisms and scalable bioprocesses for the economic production of specialty enzymes and other proteins. Customized innovative biological solutions for more sustainable products and processes round off the portfolio.

The parent company of the BRAIN Biotech Group is BRAIN Biotech AG. The business activities of the integrated company are divided into the two segments BRAINBiocatalysts (development, production and distribution of specialty enzymes, microorganisms, ingredients) and BRAINBioIncubator (research-intensive development projects, pharmaceuticals). For production, the Group operates fermentation plants in the UK as well as production facilities in continental Europe and the USA.

BRAIN Biotech AG has been listed on the Frankfurt Stock Exchange since February 9, 2016 (Ticker: BNN; ISIN DE0005203947 / WKN 520394). The company employs around 280 people at several locations and generated revenues of EUR 49.6 million in the 2024/25 financial year.

Further information can be found at: www.brain-biotech-group.com.

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FINANCIAL POSITION AND PERFORMANCE

1 October 2025 to 30 June 2026

GROUP BASIS AND GENERAL CONDITIONS

The remarks made in the consolidated financial statement for the financial year ending 30 September 2025 about the Group´s basis and general conditions continue to be applicable.

ECONOMIC AND BUSINESS REPORT

1. Results of operations

In the first nine months of financial year 2025/2026, the BRAIN Biotech Group generated revenues of € 34.6 million, down 10.5% from the previous year (€ 38.7 million). In the third quarter, revenue was 16.6% lower than in the same period of the prior year. The relative decline is partly attributable to the particularly strong performance in the third quarter of FY2024/25 and the resulting high basis for comparison. The absolute decline in revenue is due to lower sales in the BRAINBiocatalysts segment. The segment was affected by low sales momentum, particularly in the baking enzymes segment. In addition, there were production interruptions due to the relocation of production sites to the new joined location in the Netherlands. Revenue in the segment totalled € 30.8 million, compared to € 35.5 million in the same period of the previous year. In the BRAINBioIncubator segment, revenue for the nine-month period totalled € 3.9 million, representing a 21.0% increase compared to the same period last year (€ 3.2 million). A key contributor to this was an additional milestone of € 1.0 million achieved in the first quarter for the successful progress of the deucrictibant pharma ingredient project.

Total operating performance (sales revenue, research and development grants, changes in inventory, and other income) decreased from € 40.6 million to € 35.9 million compared to the previous year. In addition to the decline in sales, changes in inventory were significantly lower due to timing effects as per the reporting date.

Adjusted consolidated EBITDA decreased slightly in absolute terms from € -0.4 million to € -0.7 million. This was primarily due to the decline in total revenue. Strong cost discipline and the high contribution margin from the deucrictibant milestone payment helped offset a more significant negative impact on operating earnings.

The net financial result was € -4.9 million, compared to € -2.8 million in the same period of the previous year. The year-over-year change is primarily attributable to a positive one-time effect in the prior-year period. Financial income in the prior year was positively impacted by an accounting effect of € 1.7 million from the reversal of put option liabilities in connection with the acquisition of the remaining minority interests in the Dutch company Breatec B.V. Financial expenses in the current reporting period include, in addition to interest expenses, the periodic amortization effects of the Royalty Pharma liability in the amount of € 3.2 million (pure accounting, no cash-effects).

Basic and diluted earnings per share for the first nine months of the financial year amounted to € -0.45, compared to € -0.35 in the same period last year.

The following table shows the reconciliation of reported EBITDA to adjusted EBITDA.

€ thousand	9M 2025/26	9M 2024/25
EBITDA	**-2,002**	**-1,575**
Share-based employee compensation	-571	-619
Personnel expenses in connection with the Royalty Pharma transaction	-310	-
Costs for integrating the German site into the Netherlands	-311	-70
Expenses related to the announced change in the Executive Board	-98	-
Redundancy costs - Zwingenberg	-	-516
Adjusted EBITDA	**-712**	**-369**

The individual business segments have developed as follows:

Segment BRAINBiocatalysts

€ thousand	9M 2025/26	9M 2024/25
Revenue	**30,766**	**35,496**
EBITDA	1,151	2,609
Adjusted EBITDA	**1,614**	**3,400**

The **BRAINBiocatalysts** segment generated revenues of € 30.8 million during the reporting period, representing a 13.3% decline compared with the same period last year (€ 35.5 million). The third quarter of the previous year had been particularly strong. The absolute decline in turnover was due to lower sales momentum, particularly in the bakery enzymes segment. In addition, there were interruptions to production following the relocation of production facilities to the new joined location in the Netherlands. Adjusted EBITDA decreased from € 3.4 million to € 1.6 million, mainly due to the decline in revenue and the production relocation.

Segment BRAINBioIncubator

€ thousand	9M 2025/26	9M 2024/25
Revenue	3,871	**3,198**
EBITDA	410	-1,085
Adjusted EBITDA	**410**	-1,085

Revenue in the **BRAINBioIncubator** segment amounted to € 3.9 million, which is € 0.7 million higher than in the previous year (€ 3.2 million). In the first quarter, a milestone payment of € 1.0 million was received from the deucrictibant project, which contributed significantly to revenue growth. The high contribution margin from the milestone payment and lower personnel costs in the segment led to a significantly improved adjusted EBITDA of € 0.4 million, compared to € -1.1 million in the same period last year.

The **BRAIN Biotech Holding** segment primarily comprises personnel expenses and other expenses for group administration, the further development of the BRAIN Biotech Group, and the stock market listing. Adjusted EBITDA for the segment amounted to € -2.7 million, which is in line with the prior-year level (€ -2.7 million) and the full-year forecast.

2. Net assets

Non-current assets decreased from € 41.4 million as of September 30, 2025, to € 39.4 million as of June 30, 2026. This was primarily due to scheduled depreciation and amortization. During the financial year, the former production facility in Büttelborn was fully subleased to a third party. This led to a reclassification within the Non-current assets from ‘Right-of-use’ assets from Property, plant, and equipment to Other non-current assets.

Current assets decreased from € 25.0 million to € 20.0 million. This was primarily due to the decline in cash and cash equivalents.

IFRS-Equity decreased from € 1.8 million as of September 30, 2025, to € -7.1 million as of June 30, 2026. This is primarily due to the negative result for the period which is magnified by a sole non-cash accounting impact from amortization effects of the effective interest method in connection with the Royalty Pharma financial liability. The Royalty Pharma transaction is recognized as a financial transaction through the IFRS financial statements. Equity according to the latest German GAAP (HGB accounting) financial statements (+€ 20.6 million as per September 30, 2025) remains positive.

The increase in long-term debt from € 46.9 million to € 51.6 million is almost fully attributable to the financial liability in relation to the Royalty Pharma transaction. BRAIN Biotech AG received an additional € 2.3 million in advance cash payments from the monetization agreement with Royalty Pharma due to positive milestone harvesting in the first quarter of the fiscal year. In addition, purely accounting-related amortization effects of the Royalty Pharma financial liability led to an increase in non-current liabilities by € 3.2 million.

Current liabilities decreased from € 17.6 million as of September 30, 2025, to € 14.9 million. This was due to lower financial liabilities resulting from scheduled repayments, as well as a decrease in accounts payable.

3. Financial Position

The Group's gross cash flow improved slightly to € -3.7 million compared with the prior year (€ -4.0 million).

Cash flow from operating activities improved to € -3.6 million, compared to € -6.8 million in the prior-year period. The year-over-year change is primarily attributable to reporting-date-related timing effects in operating working capital in the prior-year period.

Cash flow from investing activities for the first nine months of the current fiscal year amounted to € -1.4 million, compared to € -0.6 million in the same period of the prior year. Cash flow from investing activities primarily reflects investments in property, plant, and equipment at the new joint production location in the Netherlands.

Cash flow from financing activities amounted to € -0.3 million, compared with € -9.3 million in the same period of the prior year. In the current reporting period, this reflects the net effect of the milestone payment from the Royalty Pharma transaction in the amount of € 2.3 million, as well as scheduled repayments of financial liabilities. The prior year was driven by the repayment of a shareholder loan in the amount of € 5.0 million and the payment of the purchase price for the remaining minority interests in Breatec B.V. (€ 1.7 million).

Overall, cash and cash equivalents decreased from € 6.2 million as of September 30, 2025, to € 0.9 million, which is attributable to the combination of the effects described above.

Following the close of the quarter, the Company entered into an agreement with MP-Beteiligungs-GmbH (MPBG) for a new revolving credit line of € 9.0 million (see 'Events After the End of the Quarter'). This will cover the Company's general financing requirements in the medium term.

CONSOLIDATED INCOME STATEMENT [UNAUDITED]

1 October 2025 to 30 June 2026 and 1 April 2026 to 30 June 2026

€ thousand	9M 2025/26	9M 2024/25	Q3 2025/26	Q3 2024/25
Revenue	34,638	38,695	11,231	13,463
Research and development grant revenue	402	487	94	100
Change in inventories of unfinished and finished goods and work in progress	104	983	287	455
Other income	797	431	115	125
Total operating performance	**35,942**	**40,595**	**11,727**	**14,143**
Cost of materials				
Costs of raw materials, consumables and supplies, and purchased merchandise	-13,708	-17,064	-4,840	-5,646
Cost of purchased services	-372	-357	-151	-163
	-14,080	**-17,421**	**-4,991**	**-5,809**
Personnel expenses				
Wages and salaries	-12,837	-13,179	-3,605	-4,011
Share-based employee compensation	-571	-619	-170	-159
Social security and post-employment benefit costs	-2,684	-2,687	-896	-885
	-16,093	**-16,485**	**-4,671**	**-5,055**
Other expenses	-7,771	-8,264	-2,983	-2,803
EBITDA	**-2,002**	**-1,575**	**-917**	**476**
Depreciation, amortization and impairment	-3,575	-3,681	-1,228	-1,232
Operating result (EBIT)	**-5,577**	**-5,255**	**-2,145**	**-756**
Share of profit or loss from equity-accounted investments	-316	-356	-58	-57
Finance income	35	1,711	9	1,570
Finance costs	-4,616	-4,162	-1,601	-1,458
Of which related to the financial liability from the Royalty Pharma transaction	*-3,206*	*-2,490*	*-1,148*	*-866*
Net financial result	**-4,897**	**-2,808**	**-1,650**	**55**
Pre-tax loss for the reporting period	**-10,475**	**-8,064**	**-3,795**	**-701**

In Tsd. €	9M 2025/26	9M 2024/25	Q3 2025/26	Q3 2024/25
Pre-tax loss for the reporting period	**-10,475**	**-8,064**	**-3,795**	**-701**
Income tax expense / income				
a) Current tax expense (-) / income (+)	-26	29	-5	12
b) Deferred tax expense (-) / income (+)	568	243	240	80
	541	**272**	**235**	**92**
Net loss for the reporting period	**-9,933**	**-7,792**	**-3,561**	**-608**
of which attributable to:				
Non-controlling interests	0	-91	0	0
Shareholders of BRAIN Biotech AG	-9,933	-7,701	-3,561	-608
Earnings per share, basic undiluted (in €)	-0.45	-0.35	-0.16	-0.03
Number of shares taken as basis	21,847,495	21,847,495	21,847,495	21,847,495
Earnings per share, diluted (in €)	-0.45	-0.35	-0.16	-0.03
Number of shares taken as basis	21,847,495	21,847,495	21,847,495	21,847,495

CONDENSED CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION (BALANCE SHEET) [UNAUDITED]

30 June 2026

€ thousand	30.06.2026	30.09.2025
Non-current assets	39,421	41,378
Current assets	19,969	24,959
ASSETS	**59,390**	**66,337**
Equity	**-7,121**	**1,841**
Non-current liabilities	51,641	46,895
Of which Royalty Pharma liability	*27,689*	*22,173*
Current liabilities	14,870	17,600
EQUITY AND LIABILITIES	**59,390**	**66,337**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT [UNAUDITED]

1 October 2025 to 30 June 2026

€ thousand	9M 2025/26	9M 2024/25
Gross cash flow	-3,719	-4,004
Cash flow from operating activities	-3,558	-6,790
Cash flow from investing activities	-1,376	-567
Cash flow from financing activities	-323	-9,279
Net change in cash and cash equivalents	-5,257	-16,636
Cash and cash equivalents at start of period	6,190	27,171
Cash and cash equivalents at end of period[1]	940	10,531

[1] An € +7 thousand change in the cash position arose as of 30 June 2026, reflecting changes in currency exchange rates

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS [UNAUDITED]

1 October 2025 to 30 June 2026

ACCOUNTING POLICIES

The accounting policies on which the consolidated financial statements as of 30 September 2025 were based, were also applied for the first nine months of 2025/26.

SEGMENT REPORTING

There have been no changes in the segment reporting compared to the consolidated financial statements as of 30 September 2025.

The segment results[2] are presented in the following overview.

	BRAINBiocatalysts 9M		BRAINBioIncubator 9M		Holding 9M		Reconciliation 9M		Group 9M	
€ thousand	25/26	24/25	25/26	24/25	25/26	24/25	25/26	24/25	25/26	24/25
Total revenue	30,766	35,496	3,871	3,198	0	0	0	0	34,638	38,695
Total operating performance[3]	31,906	37,077	4,036	3,519	0	0	0	0	35,942	40,595
EBITDA	1,151	2,609	410	-1,085	-3,563	-3,098	0	0	-2,002	-1,575
Adjusted EBITDA	1,614	3,400	410	-1,085	-2,736	-2,684	0	0	-712	-369

[2] After partial elimination within the segments
[3] Revenue, research and development grants, changes in inventories and other income

NUMBER OF EMPLOYEES IN THE GROUP[4]

Average for the reporting period	9M 2025/26	FY 2024/25
Total employees, of which	**268**	**281**
Salaried employees	259	275
Industrial employees	9	6

[4] Excluding the members of the parent company´s Management Board (2) and the subsidiaries' managing directors

In addition to the table above, BRAIN Biotech Group employs scholarship / grant holders 2 (FY 2024/25: 3), temporary employees 3 (FY 2024/25: 4) and trainees 4 (FY 2024/25: 8).

GENERAL BUSINESS RISKS

The business outlook has deteriorated compared to the forecast presented in the 2024/25 Annual Report (pages 67 and 68). This is due in part to the general macroeconomic situation as well as to company-specific factors. Since 2022, the global economy as a whole has been facing challenging conditions, including high inflation, a weak US-dollar, lower momentum in industrial activity and consumer sentiment, and various geopolitical crises. The war in Iran also had a negative impact on the company's demand from the Middle East Region—particularly for baking enzymes—in the second and third quarter of the financial year. The current drought across large parts of Europe is leading to subdued harvest forecasts and, consequently, reduced demand for enzymes used in food processing.

Energy costs, particularly for natural gas, remain at a high level. Logistics costs continue to react very sensitive to geopolitical news, and delivery times have lengthened in some cases. The general financing situation and financing terms remain challenging, especially for growth companies in the biotechnology sector. In addition, interest rates are rising across the board.

Production disruptions, caused by the consolidation of two previously independent production sites into the new joint facility in the Netherlands, had a negative impact on both revenue growth and margins in the BRAINBiocatalysts segment during the first three quarters of the financial year.

Due to the deteriorating economic environment described above, as well as additional company-specific challenges, the company now forecasts revenue in its core BRAINBiocatalysts segment to be below the prior-year level (previously: in line with the prior-year level) and a related adjusted segment EBITDA margin below 10% (previously: around 10%). On the other side, the company is raising its forecast for the BRAINBioIncubator segment in financial year 2025/26 to revenue of around € 6.0 million (previously: around € 5.0 million) and positive adjusted EBITDA of at least € 1.0 million (previously: positive adjusted EBITDA). Despite the weaker revenue performance in the core BRAINBiocatalysts segment, the company continues to expect adjusted consolidated EBITDA to be around the break-even point.

EVENTS AFTER THE END OF THE QUARTER

BRAIN Biotech AG signs new Revolving Credit Facility with MP Beteiligungs-GmbH

BRAIN Biotech AG has entered into an agreement with MP Beteiligungs-GmbH (MPBG) for a new revolving credit line of € 9.0 million. The term ends on 31 December 2028. Interest on the loan amount drawn will be charged at a variable market-conform interest rate of 6-Month-Forward-Euribor plus 233 basis points per annum. This revolving credit line is intended for general corporate financing purposes and scheduled debt services. This will meet the company’s funding requirements in the medium term.

BRAIN Biotech AG has appointed Dr. Sven K. Weber as new Chairman of the Board (CEO) effective 1 October 2026

The Supervisory Board of BRAIN Biotech AG has appointed Dr. Sven K. Weber to the Executive Board effective 1 October 2026 and named him the future Chairman of the Board (CEO). Mr. Adriaan Moelker, who has led the company as CEO for the past six years, will step down from the Executive Board on 30 September 2026, and will retire as scheduled at the end of his contract term. Mr. Moelker will continue to serve BRAIN Biotech as a senior advisor until the end of his contract term in January 2027.

Zwingenberg, 27 August 2026

The Management Board

Adriaan Moelker Chief Executive Officer (CEO)	Michael Schneiders Chief Financial Officer (CFO)

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FINANCIAL CALENDAR

14.01.2027	**Publication annual report** as of 30.09.2026 (12M)
25.02.2027	**Publication of the quarterly statement** as of 31.12.2026 (3M)
10.03.2027	**Annual General Meeting**
25.05.2027	**Publication of the half-year report** as of 31.03.2027 (6M)

Impressum

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