PRESS RELEASE

BRAIN in partnership with AnalytiCon Discovery

New company alliance with a leading international role in active compounds for health and nutrition

Zwingenberg and Potsdam, 03. July 2014 – Biotechnology company BRAIN and natural product specialist AnalytiCon Discovery GmbH have formed a unique partnership in the rapidly growing health and nutrition sector. Through its acquisition of the majority of AnalytiCon shares, BRAIN has become a leading international company network with unique worldwide access to an extensive range of natural products, microorganisms, plants, gene libraries and the associated technologies required for identification, development and production of products based on natural substances for consumers and business partners.

Through the establishment of this alliance, many years of research and development in the field of natural products and natural extracts are combined with extensive technology platforms for the detection of novel biological activity and subsequent structure-efficacy relationships. Both companies have more than 20 years of research and development experience in an industrial environment and have already worked together successfully on a variety of industrial projects for about 10 years.

Contact:
B-R-A-I-N
Biotechnology Research
And Information Network AG
Dr. Martin Langer
Unit Head Corporate Development
Darmstädter Str. 34-36
64673 Zwingenberg, Germany
Tel.: +49-(0)-6251-9331-16
Fax.: +49-(0)-6251-9331-11
E-Mail: ml@brain-biotech.de
www.brain-biotech.de

AnalytiCon Discovery GmbH
Dr. Lutz Müller-Kuhrt
Chief Executive Officer
Hermannswerder Haus 17
14473 Potsdam, Germany
Tel.: +49-(0)-331-2300-310
Fax: +49-(0)-331-2300-333
E-mail: lmk@ac-discovery.com
www.ac-discovery.com
The AnalytiCon company shares were sold to BRAIN by previous long-term private shareholders and the investors Sobera Capital GmbH and KBB Kapitalgesellschaft mbH. Shareholders now are solely BRAIN and the management as well as some key personnel of AnalytiCon. Further details of the transaction have not been disclosed.

The newly created network combines the complementary disciplines of biology and natural product chemistry. The company alliance also synergistically enhances access to natural resources (often referred to as “nature’s toolbox”) as, in addition to the multitude of highly diverse microorganisms, an extensive range of secondary metabolisms of plants that are a source of natural products and innovative production systems are made available. BRAIN and AnalytiCon aim to work alongside one another to find and implement the most economic solutions to emerging technical issues.

The intensification of these joint activities is of particular interest in the health and nutrition sector, where “all natural” concepts combined with proven biological effects are increasingly important for both market players and end users.

"AnalytiCon has been working intensively on its Drug Discovery units within the pharmaceutical industry for several years. This alliance makes it possible to further bridge the gap between the pharmaceutical, food and cosmetics industries," explains Dr. Lutz Müller-Kuhrt, CEO of AnalytiCon. “Through this new alliance with its long-standing partner BRAIN, the company will be strengthened further but will continue to operate independently on the market."

"The synergy between the disciplines of biotechnology and natural product chemistry established in the alliance brings the two partners to a key position for fully integrated drug development. This is seen internationally as being very unique," says Dr. Holger Zinke, CEO of BRAIN AG, of the importance of the newly formed partnership. "The
The alliance combines the development of novel screening tests with direct access to an infinite source of natural products, therefore offering the opportunity to additionally optimise certain natural product candidates through chemical synthesis, in terms of properties such as stability, solubility or efficiency."

This will allow the two companies to strengthen their own developments for the consumer market in the future. With this in mind, the companies have worked together since February 2013 as part of the strategic alliance NatLife 2020, which has allowed natural nutraceuticals and cosmeceuticals to be identified, developed and produced with the aim of improving formulations in the food and cosmetics market.

The work of the 22 strategic alliance partners is planned to last 9 years and is supported by the Federal Ministry of Education and Research. The total funding amount is 30 million Euros. Intermediate- and long-term "Natural Product" businesses will therefore be built up, meaning both alliance partners can move forward on the value chain together.
About BRAIN

BRAIN AG is Europe’s leading industrial “white” biotech company and both discovers and develops novel bioactive natural compounds and proprietary enzymes for its partners and customers in the chemical and pharmaceutical industries, as well as the food and cosmetics industries. With its unique approach to the discovery and production of new biological compounds and biocatalysts, the company achieves creative solutions by harnessing nature’s untapped biodiversity. Its success is built on its proprietary BioArchive comprising millions of genes, proteins and metabolic pathways from microbial isolates and metagenome libraries. Since its foundation in 1993, BRAIN has entered into over 80 strategic partnerships and alliances with nearly all the relevant companies within the chemical industry, for example BASF, Ciba, Clariant, Evonik, DSM, Genencor, Henkel, Nutrinova, RWE, Sandoz, Schering, Südzucker and Symrise, to name but a few. BRAIN currently employs 114 highly skilled personnel. For their groundbreaking industrial biotechnology activities for a sustainable “biologisation of the chemical industry” using nature’s toolbox for industrial processes, BRAIN and its CEO Dr. Holger Zinke received the “Deutschen Umweltpreis 2008” of the “Deutsche Bundesstiftung Umwelt”, DBU.

www.brain-biotech.de

About AnalytiCon Discovery

AnalytiCon Discovery GmbH operates internationally and is the global market leader in the field of natural product (NP) compound libraries featuring fully elucidated structures. With its 60 employees at Potsdam Biotech Campus, it offers services for every phase of the supply chain for NP-based drug discovery and development. The company offers the full range of services for the accelerated development of NP-based lead structures, from procurement of raw biomaterials to fermentation, isolation and high-throughput structure elucidation all the way to NP-focused medicinal chemistry. The innovative technology concept employed by AnalytiCon has led to top-class contracts with companies from the pharmaceutical, food and cosmetics industries in Europe, USA and Japan. Furthermore, AnalytiCon has established the BIOS concept (Biology Oriented Synthesis), a technology for developing and producing focused combinatorial compound libraries based on rare NP core structures that contain bioactive structural elements (Nat-DiverseTM). In the process, the company has gained access to currently over 15% of all known natural products worldwide as well as to thousands of yet unpublished structures.

www.ac-discovery.com

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