

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 (“MAR”)

21 December 2017

Biome Technologies plc
("Biome", "the Company" or "the Group")

New Long Term Incentive Plan (the “2017 LTIP”) and Notification of awards under the 2017 LTIP

Notification of transactions by directors/persons discharging managerial responsibilities

The Company announces that it has set up a new long-term incentive plan for its employees to replace the expired 2014 EMI Share Option Plan. This plan is intended to align Biome’s shareholder and management interests over the next four years and to the maximum extent possible these have been issued as Enterprise Management Incentive (EMI) options.

The Company further announces that on 20 December 2017, the Company granted the following share options under the 2017 LTIP:

Name of Individual	Maximum number of shares under option	Exercise price per share
Paul Mines (Director)	148,150	215 pence
Declan Brown (Director)	69,136	215 pence
Other Employees	88,890	215 pence
Total	306,176	

The total number of share options available to vest are restricted by criteria of both time and performance allowing for the creation of a “value pool” that may become available to participants.

The time criterion restricts the value pool as per the following vesting profile:

- 10 December 2018 40% of the value pool
- 10 June 2019 50% of the value pool (less any amounts awarded under previous vestings)
- 10 December 2019 60% of the value pool (less any amounts awarded under previous vestings)

- 10 June 2020 70% of the value pool (less any amounts awarded under previous vestings)
- 10 December 2020 80% of the value pool (less any amounts awarded under previous vestings)
- 10 June 2021 90% of the value pool (less any amounts awarded under previous vestings)
- 10 December 2021 100% of the value pool (less any amounts awarded under previous vestings)

The performance criterion is designed to reward sustainable increases in the share price and is calculated as follows.

The total number of ordinary shares in respect of which options may be exercised will be determined by reference to the market value of the Group's shares on the vesting dates listed above. If the Company's average closing share price, taken over a 56 day period commencing 63 days before the relevant vesting date, exceeds 250p a value pool equal to a percentage of the Company's actual market capitalisation in excess of the market capitalisation as of 19 December 2017 based on a closing share price of 215p price will be created using the following mechanism:

- above 215p (up to and including 250p) the value pool percentage will be 13.2%
- above 250p (up to and including 500p) the additional value pool percentage will be 14.9%
- above 500p (up to and including 700p) the additional value pool percentage will be 19.9%
- above 700p (up to and including 800p) the additional value pool percentage will be 16.6%
- above 800p the additional value pool percentage will be 9.9%

95% of this value pool will be used to derive the proportion of share options that vest for each 2017 LTIP plan participant, subject to the individual maximums described above.

By way of example, assuming a 56 day average closing share price, as described above, before the first and second vesting dates of 400p, this would have resulted in an increase in the market capitalisation of the Company of £4,342,942 over a market capitalisation based on the 215p share price. Under this scenario the number of share options capable of exercise would be as follows:

- First vesting
 - The LTIP value pool would be £633,130, being the sum of (i) the increase in market capitalisation of the Company from £2.15 per share to £2.50 per share at a valuation pool percentage of 13.2% giving a value of £108,456; and (ii) the increase in market capitalisation of the Company from £2.50 per share to £4.00 per share at a valuation pool percentage of 14.9% giving a value of £524,674.
 - 95% of this value pool is used to derive the value to be distributed to the participants, in this example £601,473.
 - On the first vesting date, the value of share options which are capable of vesting is 40% of this figure, which in this example is £240,589.
 - The number of shares options capable of vesting is 130,048, being £240,589 divided by £1.85 (the £4.00 per share market value assumed in this example, less the £2.15 per share exercise price).
- Second vesting
 - The value pool as per the above is £633,130.

- 95% of this value pool is used to derive the value to be distributed to the participants, in this example £601,473.
- On the second vesting date, the value of share options which are capable of vesting is 50% of this figure, which in this example is £300,736.
- The number of share options capable of vesting is 162,560, being £300,736 divided by £1.85 (the £4.00 per share market value assumed in this example, less the £2.15 per share exercise price).
- The number of shares previously vested, in this example 130,048 shares, is then deducted from the number of shares capable of vesting, being 162,560, to give 32,512 shares options capable of vesting on the second vesting date

All vested share options must be exercised by 19 December 2022 under the rules of the plan.

In addition, on 20 December 2017 the Company granted an award to John Standen, non-executive Chairman, subject to the 2017 LTIP performance conditions described above. If these performance conditions are met, John Standen will be paid a cash sum equal to 5% of the value pool created on the same basis that value can be made available under the 2017 LTIP. This award may, if the board of directors of the Company see fit, be settled in shares instead of cash. This award replaces the award made on 6 May 2014 which has expired.

The FCA notification, made in accordance with the requirements of the EU Market Abuse Regulation is appended below and gives further details on the option grants for directors and persons discharging managerial responsibilities (PDMRs).

Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	Paul Mines
2	Reason for the notification	
a)	Position/status	Director – Chief Executive Officer
b)	Initial notification /Amendment	Initial notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Biome Technologies plc
b)	LEI	213800B9QI14B12TAO51
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	

a)	Description of the financial instrument, type of instrument Identification code	Ordinary shares of 5p in Biome Technologies plc. Identification code (ISIN) for Biome Technologies plc ordinary shares: GB00B9Z1M820		
b)	Nature of the transaction	Grant of option over ordinary shares of 5p in Biome Technologies plc, pursuant to the company's 2017 Long Term Incentive Plan		
c)	Price(s) and volume(s)	Price(s)	Volume(s)	
		215 pence	Option to acquire a maximum of 148,150 shares	
d)	Aggregated information - Aggregated volume - Price	Single transaction as in 4 c) above. An option to acquire a maximum of 148,150 shares in Biome Technologies plc at 215 pence per share was granted pursuant to the company's 2017 Long Term Incentive Plan.		
e)	Date of the transaction	20 December 2017		
f)	Place of the transaction	Outside of trading venue		

1	Details of the person discharging managerial responsibilities / person closely associated		
a)	Name	Declan Brown	
2	Reason for the notification		
a)	Position/status	Director – Group Finance Director	
b)	Initial notification /Amendment	Initial notification	
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		
a)	Name	Biome Technologies plc	
b)	LEI	213800B9QI14B12TAO51	

4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted		
a)	Description of the financial instrument, type of instrument Identification code	Ordinary shares of 5p in Biome Technologies plc. Identification code (ISIN) for Biome Technologies plc ordinary shares: GB00B9Z1M820	
b)	Nature of the transaction	Grant of option over ordinary shares of 5p in Biome Technologies plc, pursuant to the company's 2017 Long Term Incentive Plan	
c)	Price(s) and volume(s)	Price(s)	Volume(s)
		215 pence	Option to acquire a maximum of 69,136 shares
d)	Aggregated information - Aggregated volume - Price	Single transaction as in 4 c) above. An option to acquire a maximum of 69,136 shares in Biome Technologies plc at 215 pence per share was granted pursuant to the company's 2017 Long Term Incentive Plan.	
e)	Date of the transaction	20 December 2017	
f)	Place of the transaction	Outside of trading venue	

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For further information please contact: Biome Technologies plc

Donna Simpson-Strange, Company Secretary
www.biometechnologiesplc.com Tel: +44 (0) 2380 867 100

Allenby Capital

David Hart/Alex Brearley (Nominated Adviser)
Chris Crawford/Kelly Gardiner (Broker)
www.allenbycapital.com Tel: +44 (0) 20 3328 5656