

6 December 2018

**Biome Technologies plc**

**("Biome", "the Company" or "the Group")**

Biome Technologies plc, the leading bioplastics and radio frequency technology business, is pleased to announce that it has been awarded a further £0.6 million of grant funding from Innovate UK to support a project focused on pilot-scale production of a novel bioplastic building block.

Over the last five years, Biome Technologies has led a £6 million development programme to bring a range of novel highly functional bio-based and biodegradable polymers to market using industrial biotechnology techniques. This programme currently involves seven universities, some 25 scientists and engineers and other partners.

Earlier in 2018, the Company reported that the technical feasibility of a number of these potential polymers had been ascertained and that work was now to be focused on establishing the viability of production and commercial scale-up. Following extensive techno-economic analysis this project, one of three key elements of our work in this area, will focus on the scale-up of PDCA (2,5-pyridinedicarboxylic acid) from bio-based intermediates that can be obtained from the lignin breakdown pathway.

This two-year, £0.8 million project in collaboration with the University of Nottingham will use a robust, metabolically diverse organism (*Cupriavidus necator*) in a contained environment to produce PDCA at pilot-scale. The work uses advanced synthetic biology techniques and state-of-the-art processing for the eventual production of highly biodegradable, compostable and recyclable bioplastic polymers suitable for flexible packaging applications.

Biome Technologies CEO Paul Mines commented:

*"The UK government has set a target of eliminating all avoidable plastic waste by 2042. Bioplastics will play a crucial role in achieving this target by reducing waste. However, current bioplastic technology is limited by price and performance in some applications. Our development programme is intended to change that position by preparing a new generation of polymers with improved functionality."*

The funding, provided by UK Research and Innovation and delivered by Innovate UK, was awarded as part of a £20 million Open Competition to deliver game changing or disruptive innovations with significant potential for impact on the UK economy.

The UK Government's Industrial Strategy sets out 4 Grand Challenges, including Clean Growth, to put the UK at the forefront of the industries of the future. Exemplifying the focus on renewable materials, on 5 December 2018, up to £60 million of new public funding was announced for the [Smart Sustainable Plastic Packaging Challenge](#), through the Industrial Strategy Challenge fund. Illustrating economic potential of such products, a [recent report](#) by bioeconomy consultants NNFCC found that plastics made from plants instead of oil, many of which are biodegradable – could create 34,000 jobs and contribute £1.92 billion to the UK economy in the next decade.

More information about the Group's work in this area can be found at [www.biomebioplastics.com/industrial-biotechnology](http://www.biomebioplastics.com/industrial-biotechnology).

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**About Biome**

Biome Technologies plc is an AIM listed, growth-orientated, commercially driven technology group. Our strategy is founded on building market-leading positions based on patented technology and serving international customers in valuable market sectors. We have chosen to do this by developing products in application areas where the value-added pricing can be justified and that are not reliant on government legislation. These products are driven by customer requirements and are compatible with existing manufacturing processes. They are market rather than technology-led.

The Group comprises two divisions, Biome Bioplastics Limited and Stanelco RF Technologies Limited. Biome Bioplastics is a leading developer of highly-functional, bio-based and biodegradable plastics. The company's mission is to produce bioplastics that challenge the dominance of oil-based polymers. Stanelco RF Technologies designs, builds and services advanced radio frequency (RF) systems. Dielectric and induction heating products are at the core of a product offering that ranges from portable sealing devices to large furnaces for the fibre optics markets.

In 2018, the Board has adopted the following three high level KPIs for the next three years to continue its ambitious momentum:

- Compound revenue growth of 25% per annum across the Group and 40% compound revenue growth in the Bioplastics division
- Diversify the Group's turnover by product and market to ensure that no one product or end customer contributes more than 15% of revenues by 2020
- Increase investment in the Group's next generation of products by spending significantly more per annum on average than the £0.3m per annum average spend over the previous strategic objective cycle

[www.biometechnologiesplc.com](http://www.biometechnologiesplc.com)

[www.biomebioplastics.com](http://www.biomebioplastics.com) and [www.thinkbioplastic.com](http://www.thinkbioplastic.com)

[www.stanelcoftechnologies.com](http://www.stanelcoftechnologies.com)