

29 October 2020

**Biome Technologies plc**  
**("Biome", the "Group" or the "Company")**  
**Trading Update**

Biome Technologies plc, a leading bioplastics and radio frequency technology business, today provides a trading update for the nine months ended 30 September 2020.

**Bioplastics Division**

Revenues in the Bioplastics division in Q3 at £1.6m were 48% ahead of the previous quarter (Q2 2020: £1.1m) and 131% ahead of the prior year comparative (Q3 2019: £0.7m).

The division's revenues in the first nine months of the financial year stood at £3.8m, 93% ahead of the equivalent period last year (2019: £2.0m).

Revenues in Q3 reflected strong underlying demand for products that have been commercialised for some time (e.g. outer packaging and non-woven filter mesh applications for the US coffee market), coupled with growing revenues in rigid materials used in coffee pods. The Board expects revenues in Q4 to be below the Q3 quarterly level but in line with its expectations for this financial year.

The Bioplastics division is working with an expanding list of potential new customers, particularly in the US. Developmental work related to this continues with some vigour, despite the impact of Covid-19. In particular, the implementation of a filtration mesh project with a second US end-customer has moved forward assuredly and initial revenues are expected later this quarter.

During Q3, the activities of the Bioplastics division were recognised when Biome received the London Stock Exchange's Green Economy Mark. The Green Economy Mark, launched in 2019, recognises listed companies and funds which derive 50% or more of their revenues from environmental solutions.

**Stanelco RF Technologies Division**

Revenues in the RF Technologies division in Q3 were £0.2m (Q3 2019: £0.6m), resulting in revenues in the first nine months of the financial year of £0.6m (2019: £2.8m).

The fibre optic cable market, normally a major driver of the business, remains impacted by both over-capacity and COVID-19 disruption. The division continues to make a concerted effort to increase its geographic footprint and range of applications and already benefits from recurring revenue from power generation, medical and general industrial markets.

The business has continued to win small projects in the UK induction heating and welding market, but overall demand remains subdued.

**Group Performance**

Total Group revenues in Q3 were £1.8m (2019: £1.3m) taking Group revenues for the nine months to 30 September 2020 to £4.3m (2019: £4.7m). It is to be noted that all revenue figures in this statement exclude grant income (£38,000 in the third quarter of this year and £124,000 for the nine months).

Costs and capital expenditure continue to be managed tightly and as the Government furlough scheme ends in October, activity levels are such that staff are returning to normal duties.

The Group's cash position as at 30 September 2020 was £0.9m (30 June 2020: £1.1m) and the Group had no debt.

In September 2020, the Group announced that it had raised £1.1m (£1.0m net of costs), via a fundraising made up of three tranches, to support and accelerate the Bioplastics division's growth. Shareholder approval was obtained on 12 October 2020 and the net proceeds from the first and second tranches have now been received which enhances the Group's cash position from that at the end of Q3.

### **Group Outlook**

The funds from the recent fundraise will support a vigorous approach to growing the Group's bioplastics business. It is against the above that the Board expects the full year results to be in line with current market expectations.

**Ends-**

### **For further information please contact: Biome Technologies plc**

Paul Mines, Chief Executive Officer

Donna Simpson-Strange, Company Secretary

info@biometechnologiesplc.co.uk

Tel: +44 (0) 2380 867 100

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

### **Allenby Capital**

David Hart/Alex Brearley (Nominated Adviser)

Kelly Gardiner (Equity Sales)

Tel: +44 (0) 20 3328 5656

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

### **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 value-added pricing can be justified and which 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.

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

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

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