

This announcement contains inside information for the purposes of Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310.

28 January 2021

Biome Technologies plc

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

Trading Update

Biome Technologies plc, a leading bioplastics and radio frequency technology business, today provides an unaudited pre-close trading update for the financial year ended 31 December 2020.

Group revenues for the year ended 31 December 2020 were broadly in line with market expectations at £5.7m (2019: £6.9m) following strong annual revenue growth of 65% in the Bioplastics division.

Cash balances at the year-end were £1.7m, following the net £1m equity fundraising announced in September 2020 (30 September 2020: £0.9m).

The Board anticipates that, subject to completion of the audit process, the Group will generate a loss before interest, taxation, depreciation, amortisation and share option charges for the year ended 31 December 2020, which will be in line with current market expectations.

The Group's preliminary results for the year ended 31 December 2020 are scheduled to be published on 25 March 2021.

Bioplastics Division

The division's revenues for the full year to 31 December 2020 were £4.9m, 65% ahead of full year 2019 revenues of £3.0m. Revenues in Q4 were £1.2m, 20% ahead of the prior year comparative quarter (Q4 2019: £1.0m), but lower than the preceding quarter (Q3 2020: £1.6m) as indicated in the Company's Trading Update on 29 October 2020.

The Board expects significant revenue growth from this division in 2021, with further product implementations in progress with both existing and new customers.

Stanelco RF Technologies Division

Revenues for the division for the full year to 31 December 2020 were £0.8m, £0.3m being generated in Q4, slightly ahead of the preceding quarter's revenue of £0.2m. This subdued revenue level reflects the on-going over-capacity in the division's main fibre-optic cable market.

The division has substantially reduced its overheads in the last year and is focussing on growing its presence in its other markets, resulting in a growing pipeline of opportunities. The Board is continuing to monitor the division's trading outlook carefully.

Group Performance

Throughout the Covid-19 pandemic, the Group has continued its manufacturing and development operations in conformance with Government advice, ensuring the safety of staff. The Group continues to make selective use of the UK Government's Job Retention Scheme for staff within the Stanelco RF Technologies division.

Whilst the Board anticipates the Group's loss before interest, taxation, depreciation, amortisation and share option charges for the year to be in line with current market expectations, the Statutory Underlying Loss is likely to be below market expectations due to a larger than anticipated non-cash share-based payment charge.

The Group's cash position as at 31 December 2020 was £1.7m (30 September 2020: £0.9m). In Q4, the cash position was increased by the equity fundraising announced in September 2020 of £1.0m (net of costs), to support the continuing growth of the Bioplastics division. The remainder of the change in the Group's cash position was a result of trading performance in the quarter. The Group has no debt.

Group Outlook

Whilst the longer-term outlook for the Stanelco RF Technologies division is slightly more encouraging than in 2020, the Board expects that headwinds will continue in the short term.

The underlying trends and technical innovation that have driven growth in the Bioplastics division are anticipated to continue as consumers increasingly demand that plastic waste is managed in a better manner. The projects that underpin the division's expected growth in 2021 are proceeding well.

The Board remains confident of meeting market expectations in 2021.

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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 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

www.biomebioplastics.com and www.thinkbioplastic.com

www.stanelcorftechnologies.com