

26 July 2023

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 trading update for the quarter ended 30 June 2023. The Company's unaudited interim results for the six months ended 30 June 2023 ("2023 H1") are expected to be announced on 27 September 2023.

Group revenues for 2023 H1 were £3.6m (2022 H1: £2.4m) an increase of £1.2m or 47% on 2022 H1. This has been driven by continued robustness of demand in the Bioplastics division from existing and new customers in North America, both for flexible film and filtration mesh applications.

The Group's trading during 2023 Q2 continued in line with management expectations with revenue for 2023 Q2 £1.7m, 24% ahead of the same period last year (2022 Q2: £1.4m), although lower than 2023 Q1 (2023 Q1: £1.9m).

The Group had a cash balance as at 30 June 2023 of £0.93m (30 June 2022: £0.65m) and had 2026 convertible loan notes outstanding of £0.85m and no bank debt.

Bioplastics Division

The division's revenues for 2023 H1 were £3.0m, a 50% increase on 2022 H1 (2022 H1: £2m). 2023 Q2 revenues were £1.4m, 11% behind 2023 Q1 (2023 Q1: £1.6m) but 37% ahead of 2022 Q2 last year (2022 Q2: £1.0m).

The Bioplastics division continues to see a high level of interest in its products in North America across a wider variety of applications than has been seen traditionally. Management expects demand for the division's products in 2023 H2 to continue and reach similar levels to that experienced in the 2023 Q2, with further growth linked to product launches (the timing of which remain uncertain as referenced in previous trading statements).

RF Technologies Division

Revenues in the RF Technologies division for the 2023 Q2 were £0.3m, consistent with 2022 Q2 (£0.3m) and in line with 2023 Q1 (2023 Q1: £0.3m). Revenues for 2023 H1 were £0.5m representing an increase of 25% compared to 2022 H1 (2022 H1: £0.4m).

On 22 June 2023, the division announced a significant new contract win with a revenue value of £452,000 for the supply of a novel induction furnace system to a global manufacturer of scientific glass products. As highlighted in that announcement, specific revenue timing was dependent on the availability of key components that were to be identified during the design phase. Due to issues with the availability of certain of these components, it is now anticipated that all revenue associated with this contract will be recognised in 2024.

The division continues to be in discussions with a number of potential customers regarding contracts that would have revenue recognition potential for 2023 H2 and beyond.

Management is pleased with the novel market sectors in which the division is building a pipeline of new and potential new business and the scale of some of the opportunities in this pipeline. We remain cautious on the precise timing of revenue recognition, given much of this work requires considerable new collaborative design with customers and draws on components from supply chains that remain somewhat uncertain.

Group Outlook

The Board is pleased that both divisions are performing well. The Bioplastics division continues to outperform substantially against last year and, despite the expected timing delay in being able to recognise revenue for its newly won large contract, the RF Technologies division is confident of winning further business of a similar nature.

Whilst we continue to be cautious in light of the current macroeconomic environment and despite the changes in the sales mix between the divisions, management's outlook for the overall performance of Biome for 2023 remains unchanged and in-line with current market expectations.

-Ends-

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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 and RF Technologies.

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.

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 and other industrial markets.

www.biometechnologiesplc.com
www.stanelcorftechnologies.com

www.biomebioplastics.com

and

www.thinkbioplastic.com