The information contained within this announcement is deemed by the Company to constitute inside information pursuant to Article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended.

29 April 2024

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

Final Results 2023

Biome Technologies plc announces its audited Final Results for the year ended 31 December 2023.

Highlights:

Final Results

- Group revenues increased by 12.7% to £7.0m (2022: £6.2m).
- A very strong year for the Bioplastics division with revenues increasing by 36.9% to £6.0m (2022: £4.4m). This was a result of good uptake of our non-woven mesh and home compostable Filmic products at both new and existing customers.
- RF Technologies division revenues, after elimination of intra-group trade, decreased by 46.4% to £1.0m (2022: £1.8m) due to delays in closing key contracts. During 2023, the division won one major contract for completion in 2024. The Company is pleased that in the first quarter of 2024, it received two further contracts which are also expected to be delivered with revenue recognition in 2024.
- Reported Group adjusted loss before interest, depreciation, taxation and amortisation (LBITDA) of £0.8m (2022: LBITDA of £0.4m), in line with current market expectations, with Group operating loss of £1.2m (2022: loss of £0.8m).
- Convertible loan notes ("CLNs" or "Convertible Loan Notes") issued in the year of £850k and a further tranche of £400k post year end.
- Group cash position as at 31 December 2023 was £0.6m (31 December 2022: £0.8m), outstanding Convertible Loan Notes with a redemption value of £850k and no bank borrowings.

Paul Mines, Chief Executive Officer said: "*The Bioplastics division delivered a strong year of growth in 2023 reflecting our widening product portfolio and customer base. The RF Technologies division won an important new contract in 2023 with a key target customer in a new sector. Further contract wins in early 2024 have put the business on a firmer footing.*"

- 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 ("Bioplastics") and Stanelco RF Technologies Limited ("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.

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

Chairman's Statement

Business performance

Group revenues grew 12.7% in the year to £7.0m (2022: £6.2m) whilst the loss before interest, taxation, depreciation and amortisation ("LBITDA")* increased to £0.8m (2022: £0.4m LBITDA). The ongoing focus on working capital management, particularly on the size and timing of manufacturing campaigns, ensured that the year-end cash position was £0.6m in-line with market expectations for FY2023 (2022: £0.8m).

The Bioplastics division had a strong performance with revenues in 2023 comfortably ahead of our expectations from earlier in the year, driven by both growth with long-standing existing customers and with several newer customers. The RF Technologies division's activity was subdued as several contracts proved more difficult to finalise than initially anticipated. Most of these contracts have now been finalised in the first quarter of 2024, and the division now has a robust orderbook, underpinning the expectations for 2024. Overall, the Group achieved its sales expectation for 2023 albeit with a different mix than originally anticipated, which affected both operating profit and cash-flow.

Following on from the first issue of CLNs in April 2023, a further tranche of CLNs was issued in March 2024. The aggregate net proceeds from the issue of CLNs will be used to support the growth of the Group's two divisions towards a position of Group operating cash-flow sustainability over time.

** The Group defines LBITDA as Loss from operations, as per the Consolidated Statement of Income, and adding back amortisation, depreciation and equity settled share option charges made in the year.*

Bioplastics division

The Bioplastics division's revenues for the year to 31 December 2023 were £6.0m (2022: £4.4m) with growth coming from a mix of new and existing customers for both filmic materials and our non-woven mesh products.

Market demand continues to build for products that are certified for 'home composting', rather than 'industrial composting'. The technical requirements of 'home' vs 'industrial' material require that those designated 'home' must compost more quickly in temperatures akin to those found in home/garden environments. The division's scientists have made great strides in delivering this technical performance at a competitive price point and a patent for a new family of materials in this space has received its European grant. The first filmic products exploiting home compostable technology were sold in volume during the course of 2023, following the extensive development and testing required. Filter mesh material that is certifiable as Home Compostable is taking longer than expected to finalise and is currently undergoing certification testing, with the objective of commercial release in H2 2024.

We continue to focus our sales efforts on opportunities where customers require differentiated products, with significant technical content and that are of sufficient scale and longevity to provide a payback on the commercial and technical investment.

The Bioplastics division continues to coordinate significant research and development funding in conjunction with leading universities, in pursuit of bringing novel bio-based and biodegradable polymers to market. Scale-up work on poly butylene adipate co-furanoate "PBAF" (based on furandicarboxylic acid) has continued in collaboration with Thomas Swan (www.thomasswan.co.uk) and the University of Nottingham. The scale-up will allow the performance and production process of this polymer to be evaluated at an industrially relevant scale and will help map out the pathway to full commercialisation. A small group based at the Imperial College campus at White City is supporting this work with biological routes to the underlying monomers.

The progress described above highlights the growing reputation of the Bioplastics division for innovative materials and this is assisting with expanding customer diversity, particularly in North America. Helping to drive this is the relocation of a senior Biome employee in late 2022 to Canada and the start-up of legal entities and associated back-office services in both the USA and Canada. Further work to build on this foundation has continued in 2023 and, more recently, an enhanced level of marketing and customer activity has been enabled by additional local recruitment.

RF Technologies division

Revenues in the RF Technologies division in 2023 were £1.0m (2022: £1.8m). The reduction in sales resulted from a lengthier period in closing key contracts than had been anticipated. Whilst no business was lost, the delays adversely affected the division's and Group's profitability and cash-flow during 2023.

The downturn in demand for capital goods in the fibre optic cable manufacturing sector which was first seen during 2019 continued through 2023. We note that the fibre optic industry is seeing consolidation and we do not anticipate significant contracts from this market in the near-term.

Encouragingly a new contract of scale was concluded mid-2023 and a further two contracts converted in Q1 2024. These contracts in the Scientific Glass and Medical Devices sectors are important achievements in the RF Technologies division's efforts to diversify its revenue streams. The division is now designing and building the equipment to fulfil these contracts and has a significant growing workload. Should the equipment being delivered under these projects meet our customers' technical and commercial objectives, we believe that repeat orders are possible for future years.

Economic instability

Supply chain issues that affected global trade in 2022 were significantly reduced in 2023 as a degree of normality returned to international trade. This enabled the Bioplastics division to be more agile in fulfilling customer orders and allowed us to reduce our overall inventory levels.

However, early 2024 has seen a return of capacity issues in international shipping as a knock-on effect from the conflict in the Middle East affecting the Suez Canal and the ongoing drought affecting the Panama Canal. Trading in Q1 2024 has consequently seen delays in shipments to North America and we continue to monitor inventory levels closely.

Results

The Group's results were in line with the revised expectations announced last November for the year ended 31 December 2023.

Consolidated Group revenue for the year was £7.0m (2022: £6.2m) reflecting the significant increase in Bioplastics sales offset by reduced revenues from the RF Technologies division. Group gross margins for the year were 32.4% (2022: 37.7%) reflecting the change in mix of sales during the year.

The Group loss before taxation increased to £1.6m (2022: £0.8m loss before taxation) and the non-GAAP measure of LBITDA was in line with current market expectations at £0.8m (2022: £0.4m LBITDA). A Group operating loss of £1.2m for the year was incurred (2022: £0.8m loss).

The Bioplastics division saw an increase in sales to £6.0m (2022: £4.4m) representing a 36.9% growth and an operating loss of £0.5m (2022: £0.7m loss). The division recorded an improved LBITDA of £0.1m (2022: £0.4m LBITDA) as sales increased.

The RF Technologies division's revenues, after elimination of intercompany sales, were down 46.4% to £1.0m (2022: £1.8m) reflecting the delay in closing contracts discussed above. Loss before taxation was £0.2m (2022: £0.2m Profit). The division reported an LBITDA of £0.2m for the year (2022: £0.2m EBITDA).

Cash and debt

The Group's gross cash balance as at 31 December 2023 was £0.6m (31 December 2022: £0.8m) reflecting trading losses for the year offset by financing, net of costs, from CLNs of £0.7m (2022: £nil). The Group's debt consisted of CLNs with a redemption value of £850,000 and with the exception of leases in respect of right of use assets, the Group had no other debt at 31 December 2023 (2022: £nil). Capitalised product development in the Bioplastics division was £0.3m (2022: £0.4m).

On 11 March 2024, the Company announced that it had secured an additional tranche of Convertible Loan Notes funding of £400,000 (before expenses). The Board had for several months been reviewing potential funding options for the Company to support the medium-term funding needs of the Group and its businesses and concluded that a further issue of the Convertible Loan Notes was the best available option in the circumstances. The Board is hopeful that this funding will support the growth of the Group towards a position of operating cash-flow sustainability over time.

Following the recent fundraise the gross cash balances as at 26 April 2024 were £563,000.

Strategy and KPIs

The Group's strategy is set out in the strategic report in the annual report and financial statments.

Our medium-term growth aspiration and growth KPI for the Bioplastics division remains 25% per annum. In 2023 the division achieved year-on-year growth of 36.9%. We do not expect this to be a linear rate of increase and we anticipate a more modest level of growth in 2024 compared to 2023. However, we believe this KPI to be a reasonable target on average over our planning horizon.

The RF Technologies division is expanding into new sectors by further exploiting its thermal process solutions knowhow based on induction, dielectric and resistance heating technologies. The objective is to grow the division's sales by more than 25% per annum and for more than 50% of its sales coming from sectors other than its historic core fibre-optic market over the long-term. In 2023, sales decreased by 46.4%. However, we were pleased to announce the receipt of a major contract from a new customer during the year where revenue will be recognised in 2024 and two further contracts were announced in the first quarter of 2024 also for delivery in 2024. All of the new business wins are outside the traditional fibre optics market and 79.3% of revenue in 2023 was derived from customers outside of this sector.

Board

As noted in our RNS announcement dated 11 March 2024, Rob Smith has resigned as director and Chief Financial Officer and will step down after the general meeting on 29 May 2024 to take up a CFO role at a non-competing AIM listed company. We would like to thank Rob for his contribution to the development of the Group over the past few years and in particular in overseeing the establishment of subsidiaries in North America that is underpinning our Growth in that region. We wish him well in his future endeavours.

Race to Zero

Biome Technologies signed up to the United Nations Race to Zero Climate Campaign and is committed to reducing its carbon emissions in line with publicly disclosed targets. Our reporting of actual greenhouse gas emissions and medium-term targets commenced in 2022. Analysis demonstrates good initial reductions of Scope 1 and 2 emissions (direct energy use) against the recent baseline. Plans have been developed to drive progress towards both 2030 and 2050 targets.

Our Bioplastics division's products are, where appropriate, subject to individual Life Cycle Analysis ("LCA") that encompass Biome's supply chain. This allows decision making for Biome and its customers on how to minimise climate impact. In due course, we will look to extend our broader Group reporting beyond Biome's boundary, to include Scope 3 emissions (those from toll manufacture, growing, extraction, manufacture, and processing of the raw materials used) as robust data becomes available.

Outlook

We believe that the Group is positioned well for further growth in the current and future years.

The Bioplastics division will continue to benefit from the global move to more sustainable materials as it continues to broaden its product and customer portfolio particularly in the area of 'Home Composting'. The growth seen in 2023 is expected to continue into 2024 but at more modest rate. This growth depends on the product launches of end customers in the Home Compostable Filmic area and, later in the year, the completion of technical certification and launches based on home compostable fibres. Both are complex implementations with numerous activities underway.

The RF Technologies division had an influx of significant contract wins in the early months of 2024 and now has the orderbook in place to deliver a substantially improved performance for 2024 and is in a position to build on this success into the medium-term.

Trading in the first quarter of 2024 was behind our internal expectations. In particular, Bioplastics has been affected by delayed shipments to North America and reduced offtakes by two existing customers caused by their production quality issues and regulatory delays which are expected to correct in the coming months. Whilst we remain cautious in these challenging economic times our outlook for the year consequently remains unchanged.

John Standen
Chairman

26 April 2024

Strategic Report

Biome Technologies plc is a growth orientated, commercially driven technology group. Its strategy is founded on building market-leading positions based on its technology, intellectual property and serving international customers in the bioplastics and radio frequency heating sectors.

We pursue these ambitions by developing products in application areas where value-added pricing can be justified and that are not reliant on government legislation. The growing portfolio of products is driven by customer requirements and compatible with existing manufacturing processes. They are market rather than technology led.

The directors consider Biome's shareholders, employees, customers and suppliers as its key stakeholders and the divisional analysis below outlines the strategies that have been adopted to promote the success of the Group and to meet its objectives.

Bioplastics division

The Bioplastics division achieved sales revenue of £6.0m (2022: £4.4m), an increase of 36.9%. This increase in reported revenues, compared to the performance in 2022, was attributable to higher demand from long-standing customers and demand from a range of newer customers for filmic products across a range of applications. The division's operating loss for the year was £0.5m (2022: £0.7m loss) reflecting the increased revenues.

Markets

Plastics and their use or misuse by humanity remains a key environmental topic of focus around the world. There is sustained pressure from consumers, media and governments to reduce the environmental impact of plastics. In recent years the focus of this pressure has been on the "end-of-life" of such materials, how they are disposed of and the consequence of fugitive release to the environment. In addition, with rising concerns regarding climate change and the pursuit of "Net Zero" strategies by governments, there is greater interest in how such materials might also be manufactured with lower carbon footprints.

The compelling case for compostable (biodegradable) bioplastics often lies in their ability to ensure that organic food waste reaches appropriate treatment (e.g. industrial scale anaerobic digestion and composting facilities) and that the resulting digestate and compost does not contain persistent plastic contamination when finally spread to soils. This case is driving the growth of the compostable packaging market around the world in sectors such as food waste bags, coffee pods, tea bags, fruit labels and other food contaminated packaging formats.

The growth of the compostable plastics market is often facilitated when there is a clear route for food waste and food contaminated packaging to reach appropriate sorting and treatment facilities. This requires appropriate labelling, user education, collection, sorting and treatment capacity. The quality of such disposal supply chains for "Industrially Compostable" materials varies considerably by geographic territory and often within countries. There is, in general, a move to improve and scale-up such activities to prevent food waste reaching landfill with its resultant release of methane, (a significant Green House Gas ("GHG")).

The consumer desire to change the plastic landscape is pulling through increased demand for compostable plastics at a rate that is faster than (often government organised) collection and disposal supply chains are able to adapt to. As a result, there is increased demand from the market for bioplastics that can be composted at home, known as "Home Compostable" products. Whilst it is a minority of the population that has the access and/or desire to treat organic waste and packaging at home, those that can, are often highly motivated to treat such waste in their gardens. This adoption by enthusiasts is driving the compostable plastics market towards the production and certification of products that are suitable for this end-of-life solution. Such products are required to compost at lower temperatures and in less well managed conditions than can be expected at industrial facilities and appropriate certification is emerging. Home Compostable bioplastics have the added benefit of degrading faster than Industrially Compostable bioplastics in industrial facilities.

Compostable (biodegradable) bioplastics do not provide a panacea for the plastics litter problem. They are not' in general' designed to biodegrade in the open environment such as water courses or soils and so are not the answer to such pollution. However, in certain application areas it makes sense to tailor bioplastic materials for such fates to prevent the accumulation of micro-plastics in the environment. Specific end-uses are in agriculture and forestry where plastic can be compelling for productivity but are often not collected or collectable.

The case for bio-based bioplastics is driven by the growing scientific evidence that the use of biogenic inputs reduces the carbon footprint of such materials and will in time lead to a more sustainable plastics industry. There are a limited number of territories that legislatively require bio-based inputs in some plastics, but it might be expected that this trend is likely to accelerate. There is some evidence that some consumers will choose bio-based materials when offered a choice, but this appears, at present, to rank behind the desire for compostable functionality.

The division's main geographical market of focus is North America where the scale of adoption of compostable bioplastics has accelerated in recent years. This is being driven by environmental awareness and facilitated by the deployment of end-of-life composting capability. The mid-size food and beverage manufacturers have led the move away from conventional plastics as they seek to differentiate their products from those of the major brands. Biome has undertaken manufacturing at two locations in North America for some years and has provided technical support from both local and travelling personnel. In 2022 we established legal entities in Canada and the USA and in 2023 these entities became fully operational with all trading in North America being conducted through these corporations. During the year we established a warehousing relationship with a Third-Party Logistics provider in Canada. This has allowed us to shorten lead-times and reduce costs when servicing our Canadian customers. We further increased our presence in North America with the hiring of Customer Support staff and will continue to invest in the Biome Team in this key market as further progress is made.

The UK market has been somewhat slower to embrace compostable and bio-based materials than some other territories. Whilst there is considerable focus on plastic waste, there is still a continuing debate of how best to manage this problem. The local council control of the disposal supply chain and its wide variability is seen by some as part of the problem and a move in England towards universal food waste collection in the latter half of this decade presents an opportunity for compostable plastics. At present, the UK market remains a smaller part of the Bioplastics division's short-term focus with the more immediate sales opportunities and growth being in the North American market.

Cost and functionality will remain key hurdles over the widespread adoption of bioplastics versus petro-chemical plastics. Current adoption is therefore driven by consumer pull, and their willingness to pay a premium for biodegradability/compostability, or government legislation. To overcome these hurdles the Group's Bioplastics division focuses on areas of the market where there is a high technical performance requirement, the cost of the biomaterial is a small fraction of the end product price, and where there is a consumer willingness to convert to a biodegradable material.

Research and development within the Bioplastics division is therefore focussed on these three areas and in particular targeted towards customer requirements for a biodegradable solution. The commercial lifecycle of our product developments can be categorised in the following stages of the product lifecycle:

- Research Phase - technology and product development occurring within Biome's own laboratories or at external support facilities.
- Development Phase - the product is being developed and tested with small scale supplies to customers for end use testing.
- Initial Manufacturing Phase - the product is signed off by the customer as suitable for its requirements and is now undergoing significant long-term testing to ensure the end product can be run in commercial quantities across the supply chain.
- Commercial phase - the product has been through the above phases with the customer and is now achieving regular and significant sales with the end product being purchased and used by the final consumer.

Technical Development

The Bioplastics division's development work remains focussed on innovative developments where there is a customer requirement for the product and a willingness to pay a premium for the functional and environmental attributes. During 2023, the development team continued to work on a variety of technical challenges that included the development of a range of Home Compostable materials for different applications, the improvement of oxygen and vapour barrier performance, the soil degradability of materials to be used in tree protectors and the improvement of temperature performance for a variety of end-uses. In particular, the Home Compostable work gained further traction in the year, an important patent was granted in this area and deployment of this technology in a variety of customer applications saw increased uptake.

The Bioplastics division also continues its work in utilising advanced industrial biotechnology to produce a new generation of novel bio-based and biodegradable polymers. This research focuses on the transformation of lignocellulose (often sourced from agricultural waste) into bioplastics using engineered microbial routes. These routes are enabled using cutting edge synthetic biology techniques. If successful, it is anticipated that this work will result in polymers with improved functionality at a cost comparable to current petroleum-based plastics. This development work continues to be supported by several research grants and some of the work is undertaken in collaboration with leading UK universities. The scale at which the polymerisation activities have been carried out has been increased over the last twelve months and the differentiated performance of materials better understood. Work with Thomas Swan and the University of Nottingham continued to explore the production of novel polymers at pilot scale in facilities with the capability to manufacture at commercial scale in due course. In 2023, the work to develop the underlying bio-based monomers for these polymers accelerated with the establishment of small team based at the Imperial College Campus at White City.

RF Technologies division

The RF Technologies division, through the use of radio frequency technology, creates innovative solutions for thermal process applications. The division's products are renowned for their quality and durability. The division's systems are designed and manufactured to provide exceptional sealing, welding and heating process solutions to a wide variety of commercial sectors.

Total revenues in 2023, after the elimination of intercompany sales, were £1.0m (2022: £1.8m) representing a 46.4% decrease. As a consequence of the reduced sales the division made an operating loss for the period of £0.2m (2022: £0.2m profit).

The division's traditional core offering has been the supply of fibre optic furnaces. This market has been suppressed since 2018 with little sign of a return to the levels seen previously. The focus for the RF Technologies division since 2018 has been to develop alternative markets for its technology. In 2023 the division secured a key furnace contract from a scientific glass manufacturer that will be delivered in 2024. Two further significant orders were secured early in 2024 one from an associate of the scientific glass manufacturer and the other for the medical equipment market. These contracts represent important first steps in the diversification of the product portfolio.

The business currently focuses on four main revenue streams:

Induction Heating Equipment

The division sells bespoke induction heating equipment into to a variety of application areas. These systems are destined mainly for the UK and Continental European market but in recent years some have been shipped to North America. Whilst this has been a small part of the division's sales it is a strategic aim to increase the product offering and expand sales of this type of equipment. Speciality focus areas include medical, food, industrial heating where RF technology can provide both control and efficiency benefits. The division works both with end-customers and "system integrators" providing complete factory solutions.

Furnace Systems

The RF Technologies division is a world leader in the design and manufacture of induction furnace systems used in the manufacture and processing of silica glass "preforms" to produce optical fibre and other applications. Each system is bespoke to customers' exact requirements. There has been a sustained period of overcapacity in the fibre-optic manufacturing industry, but investment in maintenance of existing equipment has now returned to historic normal levels. It is expected that, in due course, as demand for fibre optic cable grows further furnace systems will be ordered but it is not possible to predict the timing and scale of further orders.

Plastic Welding Equipment

These units are used in a multitude of end-user applications including the nuclear, medical and industrial sectors. The equipment is provided in either hand-held, mobile or fully automated static solutions, dependent on customers' requirements.

Service and Spares

The business continues to support its large installed equipment base through the provision of maintenance support, system upgrades and specialist spares across the globe. This provides an underlying base load of revenues for the division.

Race to Zero

Biome Technologies is signed up to the United Nations Race to Zero Climate Campaign and is committed to reducing its carbon emissions in line with publicly disclosed targets. Our reporting of actual GHG emissions and medium-term targets continues in these Statements. Plans have been developed to drive progress towards both 2030 and 2050 targets.

Our Bioplastics division's products are subject to individual LCA that encompass the full supply chain where appropriate, and we will look to extend our broader Group reporting to include Scope 3 emissions (those from toll manufacture, growing, extraction, manufacture, and processing of the raw materials used) as robust data becomes available.

Principal Risks and Uncertainties

Biome is subject to a number of risks. The Directors have set out below the principal risks facing the business. The Directors continually review the risks identified below and, where possible, processes are in place to monitor or mitigate all of these risks.

Risk	Nature	Mitigation strategies	Change in year
Customers and customer concentration	The Group's ability to generate revenues for a number of its products is reliant on a small number of customers. If one or more of these customers was to significantly reduce its orders due to regulatory changes, technical and quality issue or changes in end-market dynamics, then this could have a significant impact on the Group's results.	The Group works closely with its customers with the aim of ensuring that its products evolve in line with their requirements. In addition, the Group is continually seeking to add to its customer base and, as its revenues grow, seeks to become less dependent on any single customer.	The Bioplastics division's, sales to new customers increased significantly during 2023 as well as improved trading with our long-established customers. The RF Technologies division won a major contract with a scientific glass manufacture that broadens our customer base and markets served.
Suppliers and Raw Materials	The Group's products and manufacturing processes utilise a number of raw materials and other commodities. In particular the Bioplastics division requires several key raw materials to manufacture its biodegradable polymer resins. There are very few suppliers of these key raw materials and with the current increased demand for biodegradable products there is a risk that the division may not be able to purchase the required volumes of materials to meet customer demand or that prices may be increased at short notice. The Bioplastics division sources raw materials internationally, some of which are bulk shipped via sea freight mainly to the US and Canada. The Bioplastics division makes use of third party organisations to manufacture its products at commercial scale. There is risk in both the continued availability of such manufacturing capacity and the quality standards to which such facilities are operated. Within the RF Technologies division we are reliant on electronic subsystems that saw extended global supply chains during the immediate post Covid-19 period. With the easing of lockdown restrictions in China component lead-times have returned to more normal levels.	To mitigate this risk the Bioplastics division is seeking to validate new materials coming onto the market which may be used in substitution. To mitigate increased shipping lead-times the Bioplastics division is working closely with customers to improve visibility and forecast accuracy to ensure materials are ordered sufficiently far in advance to ensure that they are available to meet demand. To mitigate risks with third party manufacturing organisation, the division maintains close working relationships with such parties and overseas quality protocols; undertaking supplementary inspections where possible/appropriate. The RF Technologies division has adopted an agile design and sourcing strategy to overcome the long lead-times for electronic products.	Supply chains were stable during 2023 allowing both divisions to reduce lead times. In the Bioplastics division we moved to more frequent lower volume production runs which enabled us to reduce inventory holding. Looking to 2024 the Bioplastics division has seen a lengthening of shipping times as global sea freight capacity has become tight due to drought in the Panama Canal and regional tensions in the Middle East resulting in shipping avoiding the Suez Canal.
Intellectual Property	Although the Group attempts to protect its intellectual property, there is a risk that patents will not be issued with respect to applications now pending. Furthermore, there is a risk that patents granted or licensed to Group companies may not be sufficiently broad in their scope to provide protection against other third-party technologies. Other companies are actively engaged in the development of bioplastics. There is a risk that these companies may have applied for (or been granted) patents which impinge on the areas of activity of	The Group takes professional advice from experienced patent attorneys and works hard to win patents applied for and to ensure that the scope is sufficiently broad. The Group keeps up to date with its competitors' product developments and patent portfolios and aims to ensure that no infringements occur. Professional advice is sought from experienced patent attorneys if there are any concerns.	The Group continues to develop its intellectual property and has made good progress with home compostable innovation which resulted in a European patent being granted in early 2024. Our growing knowledge in Home Compostable technology and know-how is increasingly important as this a key driver for the compostable materials market.

	the Group. This could prevent the Group from carrying out certain activities or, if the Group manufactures products which breach (or may appear to breach) such patents there is a risk that the Group could become involved in litigation which could be costly and protracted and ultimately be liable for damages if the breach is proven.	The Bioplastics team underwent extensive training on the Patent environment during 2023.	
Commercialisation of New Products	There is a risk that the Group will not be successful in the commercialisation of its products from early-stage research and development to full-scale commercial sales. The Group develops a number of products, and some may not prove to be successful. Specifically, the risks associated with the product life cycle are as follows: • Research and Development phase – the development of the products may prove not to be technically feasible or do not exactly match the perceived customer need • Initial manufacturing phase – whilst the product matches the customer needs it may not be able to be produced at the required commercial speeds and/or at the required efficiency and quality • Commercialisation phase – the product may be superseded either through price or a competitor product being more advanced	The Directors ensure that regular reviews of product developments are undertaken so that unsuccessful developments can be terminated early in their life cycle. Impairment testing of the capitalised costs is performed twice a year with any impaired capitalised costs written off. The Group seeks Innovate UK grants to mitigate the cost of earlier stage research that carries the greatest risk. In 2023 £364k (2022: £205k) other income from Innovate UK grants was recognised. The Group works closely with customers to identify applications that are mostly likely to progress through to commercialisation. This process involves a multifunctional approach including sales, technical, operational and finance personnel to test commercial and technical viability to the greatest extent possible before investments are made.	The Group has consistently achieved revenues from new product introductions and continues to focus on market opportunities and customers that value our products and technology.

Represents an improved position compared to the previous year.

Represents an unchanged position compared to the previous year.

In addition to the principal risks the Group is subject to a range of other risks and uncertainties. The Board maintains a risk register and reviews this biannually to ensure that the Group's operations management identifies actual and potential risks and develops appropriate mitigating activities to ensure that these risks are managed.

These risks, which also apply to many other industries and businesses, include: -

- Financial
- Political, Economic and Regulatory Environment
- Exchange rate fluctuations
- Competition
- Health and Safety
- Cyber Security
- Ongoing geo-political insecurity (including the Russian invasion of Ukraine and ongoing conflict in the Gaza Strip)

Financial review

The KPIs which the Board uses to assess the performance of the Group are detailed in the Chairman's Statement. The Chairman's statement forms part of the Strategic Report.

The summary results for the Group are shown below:

Like-for-like comparisons	**2023**	2022	Growth
	£'m	£'m	
Revenues			
Bioplastics	**6.0**	4.4	36.9%
RF Technologies	**1.0**	1.8	(46.4%)
Reported Group revenues	**7.0**	6.2	12.7%
(L)/EBITDA			
Bioplastics	**(0.1)**	(0.4)	
RF Technologies	**(0.2)**	0.2	
Central Costs	**(0.5)**	(0.2)	
Reported (L)/EBITDA	**(0.8)**	(0.4)	
less depreciation, amortisation and equity share option charges:			
Bioplastics	**(0.4)**	(0.3)	
RF Technologies	**-**	-	
Central Costs	**-**	(0.2)	
	(0.4)	(0.5)	
(Loss)/Profit from Operations			
Bioplastics	**(0.5)**	(0.7)	
RF Technologies	**(0.2)**	0.2	
Central Costs	**(0.5)**	(0.3)	
Operating Loss	**(1.2)**	(0.8)	
Net Assets			
Non-current assets	**1.2**	1.3	
Inventories	**0.6**	0.7	
Trade and other receivables	**1.3**	0.6	
Tax receivable	**0.1**	0.1	
Cash	**0.6**	0.8	
Trade and other payables	**(1.7)**	(0.9)	
Long term lease commitments	**(0.3)**	(0.3)	
Financial instruments (convertible loan notes)	**(1.0)**	-	
Net assets	**0.8**	**2.3**	

Revenues

Reported Group revenues for 2023 were £7.0m (2022: £6.2m) reflecting the increased sales in the Bioplastics division partly offset by lower sales of RF Technologies products. Contract wins in 2023 and the first quarter of 2024 for the RF Technologies division and continuing growth in the Bioplastics division indicates that positive momentum will be maintained over the longer-term.

LBITDA

LBITDA for the year was a loss of £0.8m (2022: £0.4m). The increased LBITDA is a result of lower revenues in the RF Technologies division, adverse foreign exchange translation movements and higher overheads in the Bioplastics division.

Operating Losses

The Group recorded an operating loss for the year of £1.2m compared to an operating loss of £0.8m in the prior year.

Administrative costs across the Group in 2023 were £3.9m (2022: £3.3m). When the non-cash effects of depreciation, amortisation and equity settled share option charges are removed, the cash administrative expenses in 2023 increased to £3.4m (2022: £3.0m).

Investment in product research and development was £0.9m in the year (2022: £1.0m), which includes the research work in grant backed Industrial Biotechnology, of which £0.3m (2022: £0.4m) was capitalised in the year. Tax R&D claims resulted in a credit being recognised in the year of £20,000 (2022: credit of £131,000) and other income from the Research and Development Expenditure Credit scheme of £54,000 (2022: £6,000).

The Group recorded a loss after tax for the year of £1.6m (2022: loss after tax of £0.7m), giving a basic and diluted loss per share of 41p (2022: loss per share of 18p).

Statement of Financial Position

The carrying value of intangible assets relates to capitalised development costs predominantly within the Bioplastics division for development of the Group's own intellectual property and product range.

As at 31 December 2023, there was £0.8m of capitalised development costs (2022: £0.8m) within the Group's statement of financial position, of which £0.5m relates to Biome Mesh. An assessment is made at least annually of the future potential market take up of the products and the margins achievable to determine if any impairment is required in the carrying value of the asset.

Cash-flow

	2023	2022
	£'000	£'000
Loss from operations	**(1,234)**	(767)
Adjustment for non-cash items	**480**	339
Movement in working capital	**99**	607
Cash utilised by operations	**(655)**	179
Investment activities	**(300)**	(392)
R&D Tax credit	**140**	79
Interest paid	**(59)**	(35)
Financing activities	**679**	(50)
Net decrease in cash	**(195)**	(219)
Opening cash balance	**779**	996
Exchange differences on cash and cash equivalents	**15**	2
Closing cash balance	**599**	779

The cash utilised in operations, before working capital movements, was £0.8m (2022: cash utilisation of £0.4m). Working capital movements generated £0.1m cash in the year (2022: £0.6m utilisation).

Investment in the year in capitalised product development and capital expenditure was £0.3m (2022: £0.4m). Financing activities in the year generated an inflow of £0.7m and represented the net of receipts from the issue of Convertible Loan Notes less issue cost and repayments of obligations under finance leases (2022: £0.1m outflow). R&D tax credits of £0.1m were received during 2023 (2022: £0.1m).

The resultant closing cash position was £0.6m (2022: £0.8m).

Going Concern

The financial statements have been prepared on a going concern basis as the directors believe that the Group has access to sufficient resources to continue in business for the foreseeable future.

The key business risks and conditions that may impact the Group's ability to continue as a going concern are the utilisation of existing resources to finance growth, investment and expenditure; the rates of growth and cash generated by Group revenues; the timing of breakeven and positive cash-flow generation and the ability to secure additional debt or equity financing in future (as has previously been required) if this became necessary. The primary area of judgement that the Board considered, in the going concern assessment, related to revenue expectations.

Whilst recognising that all forecasts carry inherent uncertainty, the Board has endeavoured to establish cash forecasts and projections that are sufficiently robust to allow them to be relied on when making short and medium-term financing decisions. The Board's forecasting process for the Bioplastics division only includes ongoing business and opportunities where customers have confirmed that our products have successfully passed their internal qualification process and where future demand can be established with a high degree of certainty. In the RF Technologies division, the Board recognised that significant delays occurred in closing major contracts during 2023. It therefore reviewed the forecasting process for major contracts and timing of deposit and stage payments with the result that sales and cash flow projections are only included in our cash modelling where the contracts have either been placed or there is compelling evidence that the contracts will be placed. For the cash modelling undertaken for this going concern review, the Board considered that, along with annual ongoing business that can reasonably be expected, major contracts to the value of circa £1.5m, with cash flow and revenue recognition in 2024, had been received by 31 March 2024. The Board has concluded that its base cash model provides a reliable basis upon which a going concern review can be undertaken.

The Board was mindful of the guidance surrounding a severe but plausible assessment and, accordingly, considered a number of scenarios in revenue reduction against the original plans. A reverse stress test was constructed to identify at which point the Group might run out of its available cash. The test was designed specifically to understand how far revenue would need to fall short of the base case forecast and does not represent the directors' view on current and projected trading. The test was modelled over an 18-month period from the date of signing the accounts and was based on budgeted trading that took into account contracted orderbook, existing revenue streams from current customers/products and expected revenue based on management's judgement of the likelihood of converting current sales opportunities. The sales revenue in the budgeted model was reduced evenly across the Group to the point where the projected month-end cash was equal to zero at any point during test period. In the model, zero month-end cash was reached in September 2025 when projected sales revenue was reduced to 88.5% of budget. Since the assessment for going concern is for a minimum period of 12-months from the date of approval of the accounts, a further reverse stress test was conducted over a period to 30 April 2025. In this test reducing sales to 82.8% of budgeted level resulted in a zero month-end cash position at 31 March 2025. For the reverse stress test, the Board specifically excluded any significant upsides to this scenario. This is despite strong incremental demand potential at both existing and new customers in the Bioplastics division. This most severe scenario also excludes any mitigating reduction in the cost base that the Board would undertake in this event or utilisation of the Group's invoice discounting facility. In all scenarios modelled the Group has sufficient resources to operate and meet its liabilities throughout the going concern review period, up to the point where the reverse stress test is reached, without the inclusion of the impact of mitigating actions.

The going concern tests were performed on cash models that included the receipt of £400k from the issue of the third tranche of Convertible Loan Notes on 11 March 2024. Prior to the year ended 31 December 2023, the convertible loan note holders agreed with the Board of directors to waive an adjusted net asset covenant test that was due to be taken on the audited accounts as at 31 December 2023. On 11 March 2024 a

Deed of Variation was entered into by the Company and the Noteholders introducing new covenants to be applied to the CLNs. The amended net asset covenant was not breached in any of the scenarios considered in the going concern tests.

At 31 December 2023, the Group had a cash balance of £599k and outstanding Convertible Loan Notes with a redemption value of £850k. As at 26 April 2024 the Group had a cash balance of £563k and outstanding Convertible Loan Notes with a redemption value of £1,250k.

As a result of this review, which incorporated sensitivities and risk analysis, the Directors believe that the Group has sufficient resources and working capital to meet their present and foreseeable obligations for a period of at least 12 months from the approval of these financial statements.

Paul Mines

Chief Executive Officer

26 April 2024

Consolidated statement of income

For the year ended 31 December 2023

	Note	2023	2022
		£'000	£'000
REVENUE	5	**6,976**	6,188
Cost of goods sold		**(4,713)**	(3,857)
GROSS PROFIT		**2,263**	2,331
Other operating income		**431**	211
Administrative expenses		**(3,928)**	(3,309)
LOSS FROM OPERATIONS		**(1,234)**	(767)
Investment income		**2**	-
Fair value movement on financial instruments		**(150)**	-
Finance and similar charges		**(197)**	(35)
LOSS BEFORE TAXATION		**(1,579)**	(802)
Taxation	8	**20**	131
LOSS AFTER TAX FOR THE YEAR		**(1,559)**	(671)
Basic loss per share - pence	7	**(41)p**	(18)p
Diluted loss per share - pence	7	**(41)p**	(18)p

Consolidated statement of other comprehensive income

For the year ended 31 December 2023

	2023	2022
	£'000	£'000
Loss for the year	**(1,559)**	(671)
Other comprehensive income		
Items that are or may be subsequently reclassified to profit and loss:		
Currency translation movement arising on consolidation	**15**	2
Total comprehensive loss for the year	**(1,544)**	(669)

Consolidated statement of financial position

as at 31 December 2023

	2023	**2023**	2022	2022
	£'000	**£'000**	£'000	£'000
NON-CURRENT ASSETS				
Other intangible assets	**788**		841	
Property, plant and equipment	**418**		498	
		1,206		1,339
CURRENT ASSETS				
Inventories	**631**		736	
Trade and other receivables	**1,324**		605	
Tax receivable	**75**		141	
Cash and cash equivalents	**599**		779	
		2,629		2,261
TOTAL ASSETS		**3,835**		3,600
CURRENT LIABILITIES				
Trade and other payables	**1,701**		933	
Lease liabilities	**60**		55	
		1,761		988
NON-CURRENT LIABILITIES				
Convertible loan notes	**504**		-	
Derivative financial instruments	**523**		-	
Lease liabilities	**295**		354	
		1,322		354
TOTAL LIABILITIES		**3,083**		1,342
NET ASSETS		**752**		2,258
EQUITY				
Share capital		**189**		189
Share premium account		**2,283**		2,282
Capital redemption reserve		**4**		4
Share options reserve		**139**		102
Translation reserves		**(68)**		(83)
Treasury shares reserve		**-**		(55)
Retained earnings		**(1,795)**		(181)
TOTAL EQUITY		**752**		2,258

Consolidated statement of changes in equity

as at 31 December 2023

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Share options reserve £'000	Translation reserve £'000	Treasury Shares £'000	Retained earnings £'000	TOTAL EQUITY £'000
Balance at 1 January 2023	189	2,282	4	102	(83)	(55)	(181)	2,258
Share options issued in share based payments	-	-	-	38	-	-	-	38
Exercise of share options	-	-	-	(1)	-	-	-	(1)
Issue of share capital	-	1	-	-	-	-	-	1
Sale of treasury shares	-	-	-	-	-	55	(55)	-
Transactions with owners	-	1	-	37	-	55	(55)	38
Loss for the year	-	-	-	-	-	-	(1,559)	(1,559)
Currency translation movement arising on consolidation	-	-	-	-	15	-	-	15
Total comprehensive loss for the year	-	-	-	-	15	-	(1,559)	(1,544)
Balance at 31 December 2023	189	2,283	4	139	(68)	-	(1,795)	752
Balance at 1 January 2022	189	2,282	4	487	(85)	(55)	79	2,901
Other movements	-	-	-	-	-	-	26	26
Lapsed options	-	-	-	(385)	-	-	385	-
Transactions with owners	-	-	-	(385)	-	-	411	26
Loss for the year	-	-	-	-	-	-	(671)	(671)
Currency translation movement arising on consolidation	-	-	-	-	2	-	-	2
Total comprehensive loss for the year	-	-	-	-	2	-	(671)	(669)
Balance at 31 December 2022	189	2,282	4	102	(83)	(55)	(181)	2,258

Consolidated statement of cash flows

For the year ended 31 December 2023

	2023 £'000	2022 £'000
Loss after taxation	**(1,559)**	(671)
Adjustments for: -		
Taxation	**(20)**	(131)
Fair value movement on financial instruments	**150**	-
Finance charges	**197**	35
Investment income	**(2)**	-
Loss from operations	**(1,234)**	(767)
Adjustments for: -		
Amortisation and impairment of intangible assets	**345**	250
Depreciation of property, plant and equipment	**97**	89
Share based payments - equity settled	**38**	-
Operating cash flows before movement in working capital	**(754)**	(428)
Decrease in inventories	**105**	184
(Increase) / decrease in receivables	**(774)**	762
Increase / (decrease) in payables	**768**	(339)
Cash (utilised in) / generated from operations	**(655)**	179
Corporate tax received	**140**	79
Interest and finance costs paid	**(59)**	(35)
Net cash (outflow) / inflow from operating activities	**(574)**	223
Investing activities		
Interest received	**2**	-
Investment in intangible assets	**(292)**	(365)
Purchase of property, plant and equipment	**(10)**	(27)
Net cash used in investing activities	**(300)**	(392)
Financing activities		
Proceeds from issue of share capital	**1**	-
Proceeds from issue of convertible loan notes	**850**	-
Costs of issue of convertible loan notes	**(111)**	-
Repayment of obligations under leasing activities	**(61)**	(50)
Net cash generated by / (used in) financing activities	**679**	(50)
Net decrease in cash and cash equivalents	**(195)**	(219)
Cash and cash equivalents at the beginning of the year	**779**	996
Exchange differences on cash and cash equivalents	**15**	2
Cash and cash equivalents at the end of the year	**599**	779

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. NON-STATUTORY FINANCIAL STATEMENTS

The financial information set out in this preliminary results announcement does not constitute the Group's statutory financial statements for the year ended 31 December 2023 or 2022 but is derived from those financial statements. Statutory financial statements for 2022 have been delivered to the Registrar of Companies. Those for 2023 will be delivered following the Company's Annual General Meeting on 29 May 2024. The auditors have reported on those accounts: their reports on those financial statements were unqualified and did not contain statements under Section 498 of the Companies Act 2006.

The financial statements, and this preliminary statement, of the Group for the year ended 31 December 2023 were authorised for issue by the Board of Directors on 26 April 2024 and the statement of financial position was signed on behalf of the Board by Paul Mines and Rob Smith.

2. BASIS OF PREPARATION

The Group's financial statements have been prepared in accordance with UK-adopted international accounting standards.

3. BASIS OF CONSOLIDATION

The Group financial statements consolidate the results of the Company and all of its subsidiary undertakings drawn up to 31 December 2023. Subsidiaries are entities over which the Group has control. Control comprises an investor having power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power. At 31 December 2023 the subsidiary undertakings were Biome Bioplastics Limited, Biome Bioplastics Inc. (USA), Biome Bioplastics Inc. (Canada), Stanelco RF Technologies Limited, Aquasol Limited (dormant), and InGel Technologies Limited (dormant).

4. GOING CONCERN

The financial statements have been prepared on a going concern basis as the directors believe that the Group has access to sufficient resources to continue in business for the foreseeable future.

The key business risks and conditions that may impact the Group's ability to continue as a going concern are the utilisation of existing resources to finance growth, investment and expenditure; the rates of growth and cash generated by Group revenues; the timing of breakeven and positive cash-flow generation and the ability to secure additional debt or equity financing in future (as has previously been required) if this became necessary. The primary area of judgement that the Board considered, in the going concern assessment, related to revenue expectations.

Whilst recognising that all forecasts carry inherent uncertainty, the Board has endeavoured to establish cash forecasts and projections that are sufficiently robust to allow them to be relied on when making short and medium-term financing decisions. The Board's forecasting process for the Bioplastics division only includes ongoing business and opportunities where customers have confirmed that our products have successfully passed their internal qualification process and where future demand can be established with a high degree of certainty. In the RF Technologies division, the Board recognised that significant delays occurred in closing major contracts during 2023. It therefore reviewed the forecasting process for major contracts and timing of deposit and stage payments with the result that sales and cash flow projections are only included in our cash modelling where the contracts have either been placed or there is compelling evidence that the contracts will be placed. For the cash modelling undertaken for this going concern review, the Board considered that, along with the annual ongoing business that can reasonably be expected, major contracts to the value of c£1.5m, with cash flow and revenue recognition in 2024, had been received by 31 March 2024. The Board has concluded that its base cash model provides a reliable basis upon which a going concern review can be undertaken.

The Board was mindful of the guidance surrounding a severe but plausible assessment and, accordingly, considered a number of scenarios in revenue reduction against the original plans. A reverse stress test was constructed to identify at which point the Group might run out of its available cash. The test was designed specifically to understand how far revenue would need to fall short of the base case forecast and does not represent the directors' view on current and projected trading. The test was modelled over an 18-month period from the date of signing the accounts and was based on budgeted trading that took into account contracted orderbook, existing revenue streams from current customers/products and expected revenue based on management's judgement of the likelihood of converting current sales opportunities. The sales revenue in the budgeted model was reduced evenly across the Group to the point where the projected month-end cash was equal to zero at any point during test period. In the model, zero month-end cash was reached in September 2025 when projected sales revenue was reduced to 88.5% of budget. Since the assessment for going concern is for a minimum period of 12-months from the date of approval of the accounts, a further reverse stress test was conducted over a period to 30 April 2025. In this test reducing sales to 82.8% of budgeted level resulted in a zero month-end cash position at 31 March 2025. For the reverse stress test, the Board specifically excluded any significant upsides to this scenario. This is despite strong incremental demand potential at both existing and new customers in the Bioplastics division. This most severe scenario also excludes any mitigating reduction in the cost base that the Board would undertake in this event or utilisation of the Group's invoice discounting facility. In all scenarios modelled the Group has sufficient resources to operate and meet its liabilities throughout the going concern review period, up to the point where the reverse stress test is reached, without the inclusion of the impact of mitigating actions.

The going concern tests were performed on cash models that included the receipt of £400k from the issue of the third tranche of Convertible Loan Notes on 11 March . Prior to the year ended 31 December 2023, the convertible loan note holders agreed with the Board of directors to waive an adjusted net asset covenant test that was due to be taken on the audited accounts as at 31 December 2023. On 11 March 2024 a Deed of Variation was entered into by the Company and the Noteholders introducing new covenants to be applied to the CLNs. The amended net asset covenant was not breached in any of the scenarios considered in the going concern tests.

At 31 December 2023, the Group had a cash balance of £599k and outstanding Convertible Loan Notes with a redemption value of £850k. As at 26 April 2024 the Group had a cash balance of £563k and outstanding Convertible Loan Notes with a redemption value of £1,250k.

As a result of this review, which incorporated sensitivities and risk analysis, the Directors believe that the Group has sufficient resources and working capital to meet their present and foreseeable obligations for a period of at least 12 months from the approval of these financial statements.

5. SEGMENTAL INFORMATION FOR YEAR ENDED 31 DECEMBER 2023

	2023				2022			
	£'000	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000	£'000
	Bioplastics	**RF**	**Central**	**Total**	Bioplastics	RF	Central	Total
Revenue from sales	6,014	999	-	**7,013**	4,393	1,809	-	6,202
Removal of inter-segment sales	-	(37)	-	**(37)**	-	(14)	-	(14)
Total external sales	6,014	962	-	**6,976**	4,393	1,795	-	6,188
(Loss)/profit from operations	(531)	(225)	(478)	**(1,234)**	(734)	176	(209)	(767)
Interest received	-	-	2	**2**	-	-	-	-
Finance charges	(4)	-	(193)	**(197)**	-	-	(35)	(35)
Fair value movement on financial instruments	-	-	(150)	**(150)**	-	-	-	-
Loss before taxation	(535)	(225)	(819)	**(1,579)**	(734)	176	(244)	(802)
Taxation	20	-	-	**20**	131	-	-	131
Loss for the year	(515)	(225)	(819)	**(1,559)**	(603)	176	(244)	(671)
Reconciliation to Loss Before Interest Tax Depreciation and Amortisation (LBITDA)								
(Loss)/profit from operations	(531)	(225)	(478)	**(1,234)**	(734)	176	(209)	(767)
Depreciation/amortisation	391	47	4	**442**	292	43	4	339
Share based payments	18	11	9	**38**	-	-	-	-
LBITDA	(122)	(167)	(465)	**(754)**	(442)	219	(205)	(428)
Other segmental information								
Capital Expenditure								
Property, plant and equipment	4	11	2	**17**	15	69	1	85
Intangible assets	292	-	-	**292**	365	-	-	365
Total Capital Expenditure	296	11	2	**309**	380	69	1	450
Total Assets	3,363	648	(176)	**3,835**	2,632	920	48	3,600

The Bioplastics division comprises of Biome Bioplastics Limited, Biome Bioplastics Inc. (USA) and Biome Bioplastics Inc. (Canada).

6. ALTERNATIVE PROFIT MEASURE

The Group, and divisions, define loss before interest, taxation, depreciation and amortisation ("LBITDA") as the operating loss adjusted for share option charges, depreciation, and amortisation. The Group LBITDA is reconciled as follows:

	2023	2022
	£'000	£'000
Loss from operations per consolidated statement of income	**(1,234)**	(767)
Amortisation	**345**	250
Depreciation	**97**	89
Share option charges - equity settled	**38**	-
	(754)	(428)

7. LOSS PER SHARE

The calculation of loss per share is based on the loss attributable to the equity holders of the parent for the year of £1,559,000 (2022: loss of £671,000) and a weighted average of 3,771,720 (2022: 3,742,655) ordinary shares carrying voting rights for basic loss per share and a weighted average of 3,778,542 (2022: 3,742,655) ordinary shares carrying voting rights for diluted loss per share.

8. TAXATION

In the current year, other income includes £54,000 (2022: £6,000) arising from Research and Development Expenditure Credit scheme (RDEC) that is accounted for as a government grant.

The Group has estimated trading losses of £34.6m (2022: £32.9m) available indefinitely for carry forward against future trading profits. The Group had capital losses of £1.5m (2022: £1.5m). Deferred tax assets have not been recognised in respect of these losses as there is insufficient certainty of future taxable profits against which to utilise them.