

This announcement contains inside information for the purposes of Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. With the publication of this announcement, this information is now considered to be in the public domain.

18 December 2024

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

Secured Funding Facility

Further to the Company's announcement on 4 December 2024, Biome Technologies plc, a leading bioplastics and radio frequency technology business, announces that the Company has agreed the terms of a £750,000 secured funding loan facility to provide working capital for the Group (the "**Secured Funding Facility**").

Background to and reasons for the Secured Funding Facility

On 4 December 2024, the Company announced, *inter alia*, that internal completion dates for two large RF projects, originally expected to be completed in 2024, had been revised into Q1 2025, which had created a requirement for additional working capital in the absence of which the Company would be unable to meet its liabilities as they fall due. The Company, having had the offer of this Secured Funding Facility, discussed working capital sourcing with a range of external providers but concluded that no external providers were able to offer better terms nor the flexibility or timeliness provided by the Secured Funding Facility.

The Secured Funding Facility has been provided by the Company's Non-Executive Directors who are also substantial shareholders. The Secured Funding Facility will enable the Company, across its divisions, to navigate the period through to completion of the RF contracts.

Although no requirement for further drawdowns is currently anticipated, the facility contemplates the potential for subsequent additional tranches of up to £1,000,000 in aggregate on terms as may be agreed at the time by the Company and the lenders.

Details of the Secured Funding Facility

- The Company has entered the Secured Funding Facility by which a total of £750,000 will be made available to the Company by Martin Rushton-Turner and Brian Geary (together the "**Lenders**") in equal amounts.
- It is expected that the first drawdown from the Secured Funding Facility will be before the end of December 2024 and in an amount of £350,000, with further drawdowns from the available balance of the Secured Funding Facility likely in the first half of 2025.
- The Secured Funding Facility will be secured by debentures creating fixed and floating security which will be entered into by the Company and each of its material subsidiaries. Security will be held by a security trustee on behalf of the Lenders.
- The aggregate drawings under the Secured Funding Facility are contemplated to be repaid by final stage payments under a number of contracts entered into by the Company's subsidiary, Stanelco RF Technologies Limited. Work remains to complete those contracts, following which customer

acceptance and invoicing is anticipated. Stage payments when invoiced will be paid into a segregated bank account and applied in repayment of the Secured Funding Facility.

- It is expected that the Secured Funding Facility will be repaid in full out of the above-mentioned stage payments during the first half of 2025. The Secured Funding Facility provides for full repayment by no later than 30 November 2025.
- Interest is not payable on the Secured Funding Facility other than on amounts outstanding from 1 June 2025 and from which date a fixed rate of interest of 10% per cent per annum will accrue.
- A Signing Fee is payable to the Lenders in relation to the Secured Funding Facility in the amount of £225,000, irrespective of the amount that is drawn down. The signing fee will be apportioned as to £123,750 to Mr Rushton-Turner and £101,250 to Mr Geary. Costs from the Security Trustee of £3,625 plus VAT will also be paid by the Company.
- Drawing fees are payable to the Lenders in relation to the Secured Funding Facility in the amount of 20% of any drawn amount. This would equate to £150,000 if the Secured Funding Facility was fully drawn. The drawing fees will be apportioned to Mr Rushton-Turner and Mr Geary on an equal basis.
- The above fees are payable only on the earliest of: (i) 30 November 2025, (ii) the date of any equity capital raise by the Company or any of its subsidiaries, and (iii) such other date as may be agreed between the Company and the Lenders.
- The Secured Funding Facility contains alternative settlement arrangements, whereby in the event that the Company or one of its subsidiaries raises equity capital, each Lender may elect to have some or all of his participation in loans, interest and fees repaid by way of the issue of Biome new ordinary shares to it (at a 25% discount to the price of relevant new ordinary shares issued as part of any such equity capital raise) instead of receiving cash.
- The Secured Funding Facility contains customary representations, undertakings and events of default. If an event of default occurs, the Lenders will be entitled to require early repayment in full of the Secured Funding Facility.
- The Company has agreed that it will not repay the Secured Funding Facility early except out of the stage payments referred to above, unless its internal cash flow projections indicate that it will have, during 2025, a cash balance greater than currently expected.
- Most amendments to the Secured Funding Facility will be permitted with the consent of the Company and a majority of Lenders, although a limited number of amendments will require the consent of all Lenders.
- Commitments in respect of the Secured Funding Facility may not be transferred to any person who is not already a Lender without the Company's good faith reasonable consent, unless an event of default has occurred in which case commitments are freely transferrable.
- To build in additional flexibility using the same Secured Funding Facility documentation and structure, the facility agreement contemplates that additional tranches of up to £1,000,000 in aggregate may be provided. However, there is no commitment on the part of the Lenders to offer, or of the Company to solicit or seek, any such additional amounts and none are currently contemplated. Furthermore, the terms of such additional tranches would be subject to mutual agreement between the Lenders and the Company.

Related party transactions

Mr John Martin Rushton-Turner and Mr Brian Geary are providing up to £375,000 each of the Secured Funding Facility respectively. As Mr Rushton-Turner and Mr Geary each currently hold more than 10 per cent. of the Ordinary Shares and are both directors of the Company, entering into the Secured Funding Facility is deemed to be a related party transaction pursuant to rule 13 of the AIM Rules for Companies. Paul Mines considers, having consulted with the Company's nominated adviser, Allenby Capital, that the terms of the Secured Funding Facility are fair and reasonable insofar as Shareholders are concerned.

-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 division'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 markets.

www.biometechnologiesplc.com
www.stanelcorftechnologies.com

www.biomebioplastics.com

and

www.thinkbioplastic.com