

Preliminary Results 2021

Paul Mines, CEO/Rob Smith, CFO

March 2022



Disclaimer

The information contained in this presentation (the "Presentation") has been prepared by and is the sole responsibility of the directors of Biome Technologies PLC (the "Company"). The Presentation and any further confidential information made available to any recipient, either verbally or in writing, must be held in complete confidence and documents containing such information may not be reproduced, used or disclosed without the prior written consent of the Company. The Presentation shall not be copied, reproduced or distributed in whole or in part at any time. The information contained in the Presentation is not intended to be viewed by, or distributed or passed on (directly or indirectly) to, and should not be acted upon by any class of person other than (i) qualified investors (within the meaning of the Prospectus Directive 2003/71/EC) and (ii) investment professionals falling within Article 19(5) and high net worth companies falling within Article 49(2) respectively of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (or persons to whom it may otherwise be lawfully communicated) and may only be supplied, if permitted by applicable law, outside the United Kingdom to professionals or institutions whose ordinary business involves them engaging in investment activities (together "Relevant Persons"). Persons who are not Relevant Persons should not attend the Presentation or rely on or act upon the matters communicated at the Presentation.

The Presentation does not constitute a prospectus relating to the Company; it has not been approved by the Financial Conduct Authority, nor does it constitute or form part of any offer to sell, or the solicitation of any such offer or invitation to subscribe for, underwrite or buy, any shares in the Company or any of its affiliates to any person in any jurisdiction, nor shall it nor any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision in relation thereto.

No reliance may be placed for any purpose whatsoever on the information contained in the Presentation or any assumptions made as to its completeness. The information contained in the Presentation, which has not been independently verified, is for background purposes only and is subject to verification, updating, revision and amendment and completion without notice. This Presentation does not purport to be all-inclusive or to contain all the information that an investor may desire to have in evaluating whether or not to make an investment in the Company.

Certain statements in the Presentation are forward-looking statements, and the Presentation itself has been based upon a number of assumptions, forecasts and projections which by their nature are forward looking. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "anticipate", "plans" or "assumes" or similar expressions, or by discussions of strategy that involve risk and uncertainties. By their nature, forward-looking statements, assumptions, forecasts and projections involve a number of risks and uncertainties, and in some cases are based on estimates and incomplete information, that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements or by the Presentation as a whole. These risks and uncertainties, and the impact they have on the assumptions, forecasts and projections contained in the Presentation, could adversely affect the outcome and financial effects of the plans and events described herein.

No representation or warranty, express or implied, is made or given by or on behalf of the Company or its directors or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this document and no responsibility or liability is accepted to any recipient for any such information or opinions. Notwithstanding this, nothing in this paragraph shall exclude liability for any such representation or warranty made fraudulently.

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any such distribution could result in a violation of the law of such jurisdictions. Neither this document nor any copy of it may be taken or transmitted into the United States, Canada, Japan and the Republic of Ireland or distributed to the United States, Canada, Japan or the Republic of Ireland or to any national, citizen or resident thereof or any corporation, partnership or other entity created or organised under the laws thereof.

Group businesses support global trends

BIOME
BIOPLASTICS



Tackling the global plastics problem

Our materials have made over **half a billion** compostable coffee pods in the last year alone

STANELCO
RF TECHNOLOGIES



Supporting global internet connectivity

Our latest equipment supports the rollout of **120 million km** of fibre optic cable each year

2021 highlights

Bioplastics division

- revenue declined by 3.0%
- challenging year with post-pandemic logistics issues and customer delays
- customer base and application base broadening
- continuing strength shown in pipeline of commercial opportunities

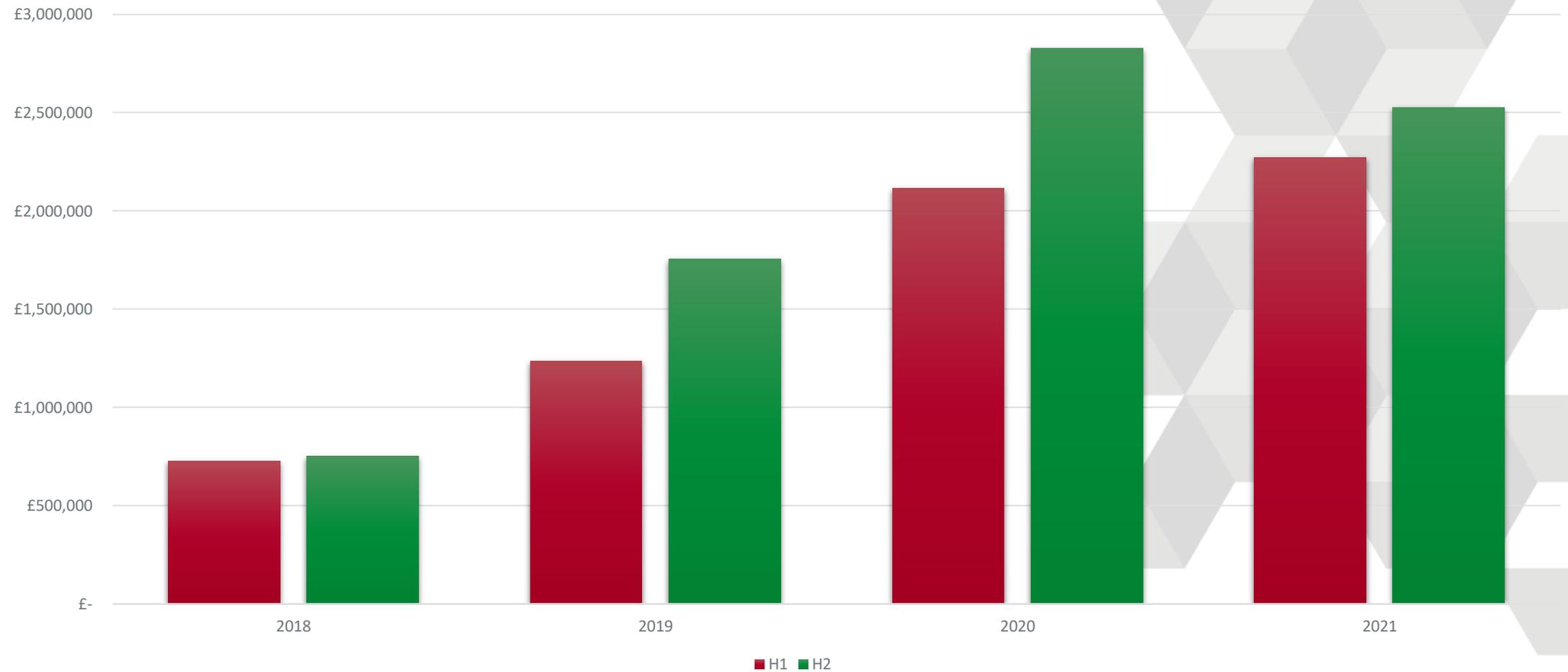
RF Technologies division

- revenues increased as push into adjacent markets starts to gain momentum
- orders from medical and food packaging industries received and scheduled for delivery in 2022
- first fibre optic system order received since 2018 and scheduled for delivery in H1 2022
- Order intake in Q4 2021 and Q1 2022 particularly encouraging

2021 results

	2020 £m	2021 £m	Comment
Group Revenue (excludes grant income)	5.7	5.7	
Bioplastics division	4.9	4.8	3% revenue decline due to supply/logistics/customer delays
RF Technologies division	0.8	0.9	Early signs of recovery, with good order book going into 2022
(Gross Margin)	29%	34%	Change in product mix towards higher margin products
Overheads	(3.6)	(3.4)	Full year benefit of overhead reductions and lower share option charges
(L)/EBITDA	(1.0)	(0.6)	
Operating loss	(1.6)	(1.1)	
Opening Cash	2.1	1.7	
Reported (L)/EBITDA	(1.0)	(0.6)	
Working Capital	(0.1)	-	
Investment / R&D tax credit	(0.2)	(0.1)	
Financing Activities	0.9	-	
Closing Cash	1.7	1.0	

Bioplastics division – sales growth



Bioplastics division growth drivers - update

Project

Application

Existing customer growth

Growth at existing customers flattened in the year after strong growth in 2020. We expect growth in flexible film in North America to be more pronounced in the medium term.

Filtration mesh (patent application pending)

This application area continues to be an important driver for the business. The new customer win announced in Q1 2021 has seen a number of delays but we are engaged with the client in managing the transition to Biome's products. Substantive discussions have begun with two further customers to deploy this material and could be of scale in the medium-term.

Coffee pod material

We continue to see good demand for this product range. In addition to continued demand from the lead customer this material is now at a late stage of testing with another large end-user organisation. Following Covid related delays, commercial volumes are now expected to ramp-up in H2 2022.

Packaging film

Packing film continues to be an important target market and we have made good progress with 6 of the original 7 opportunities identified continuing and a number of new opportunities in process. Progress has been slower than expected due to the industry wide supply issues but we still see expect a growing revenue contribution from this market, and we expect 2 or 3 of these to become commercially meaningful during 2022.

Bioplastics technology development

Biodegradable tree-guards

- tens of thousands of product being tested at various UK locations
- commercial sales have begun
- we will seek to exploit its potential in the coming seasons years.

Home compostable products

- shift in technical requirements in the bioplastic market with more consumers and brands seeking products that can be certified for home composting
- we are working to deliver products with this performance and a patent for a new family of materials has been filed recently
- work to exploit this technology commercially will step-up in this financial year.



Group outlook

- End market interest/demand continues to be strong for Bioplastics' products. As logistics and supply issues ease, we expect growth to return.
- Large Californian coffee pod customer is still "in play" and we continue to engage with them to secure the ramp in mutual business
- Tree guard project progressing well with tens of thousands of products now in use a trial sites. Now investigating potential overseas markets to accelerate this opportunity.
- RF technology division entered the year with the strongest orderbook since 2018 and a good pipeline of opportunities and quote activity allows us to be cautiously optimistic.
- First quarter trading 2022 has been in line with management's expectations. Expect Bioplastics division growth to return in H2 2022.
- Cash position as of 22 March: cash £0.9m and no bank debt (YE 2021 £1.0m) and we continue to work our cash resources to support further growth and achieve sustainability for the Group.

Contact

Address

Biome Technologies plc
North Road
Marchwood
Southampton
SO40 4BL

Call Us

+44 (0) 2380 867 100

Email Us

paul.mines@biometechnologiesplc.co.uk

Find us

www.biometechnologiesplc.com
www.biomebioplastics.com and www.thinkbioplastic.com
www.stanelcorftechnologies.com



Shareholders (31 December 2021)

Principal shareholders

Holder	Shares	%
Mr V Pereira (and spouse)	667,356	17.77%
Mr JM Rushton-Turner	406,384	10.82%
Mr P Evershed CBE (family)	279,445	7.44%
Seguro Nominees Limited	193,634	5.16%

Directors

Holder	Shares	%
Mr Paul Mines	44,025	1.18%
Mr John Standen (and spouse)	70,836	1.91%
Mr Rob Smith	3,000	0.08%
Mr Simon Herrick	-	-