

***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.***

**13 November 2024**

**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 September 2024.

Group revenues for the nine months to 30 September 2024 were £3.2m, a 39% decrease over the same period last year (2023 Q3 YTD: £5.2m), but in line with management expectations.

The Group had a cash balance as at 30 September 2024 of £0.9m (30 September 2023: £0.9m), an unsecured loan from a related party of £63k and no bank debt.

**Bioplastics Division**

The division's revenues in 2024 Q3 were £0.7m, a 49% decrease compared to 2023 Q3 (2023 Q3: £1.3m). Revenues for nine months to 30 September 2024 were £2.7m, 38% behind the same period in the prior year (2023 Q3 YTD: £4.4m).

These lower revenues were primarily due to continued production and regulatory difficulties at two of the division's end customers which were discussed in the Interim Results, and which has subdued revenues throughout 2024. The current status with these two end customers is as follows:

1. The relevant certifying body for one end customer which operates in the coffee pod market required additional laboratory testing to be undertaken at short-notice. This testing was confirmatory and completed with a positive result as expected. The completion of formal certification is now expected in due course and revenue ramp-up is now expected to occur in 2025.
2. The regulatory difficulties at the other customer have now been overcome, the product range has been launched by the customer and revenues are now expected to build for Biome in 2025.

The technology behind Biome's products is protected by a portfolio of patents. In recent days, Novamont S.p.A., one of Biome's competitors, has indicated they are challenging the grant, by the European Patent Office (EPO), of one of Biome's recent patents. Biome has invested considerably in such technology and will defend its intellectual property vigorously.

**RF Technologies Division**

Revenues in the RF Technologies division for 2024 Q3 were £0.1m, compared to £0.3m in Q3 2023, a decrease of 59%. Revenues for the nine months to 30 September 2024 were £0.4m (2023 Q3 YTD: £0.8m).

The division successfully completed factory acceptance testing of a large project in August and this has since been shipped to the customer in preparation for installation. Revenue for this project will be recognised in 2024 Q4.

Three further projects of scale are currently works-in-progress in the factory in Southampton. Whilst it had been expected that all three of these would be delivered before the end of the current financial year, ongoing challenges with the delivery of components makes it more likely that only two of these will be delivered in the next six weeks with a consequential impact on the timing of revenue recognition.

A £193k contract for the supply of the Group's induction heating equipment for use in a UK regulated industry was signed in the third quarter. The design and build is well underway, with delivery and revenues expected in 2025.

**Board**

After over 17 years with the Company as Chairman, John Standen has indicated his wish and intention to retire and step down from the Board in the reasonably near term. The Directors are discussing various options in relation to the composition of the Board following Mr Standen's departure.

**Group Outlook**

The Bioplastics division continues to work to resolve the end-customer difficulties encountered in 2024 H1. Whilst good progress is being made, the unexpected additional testing required for certification described above has caused a delay to the anticipated ramp up for one of these customers. The Board has therefore made a further revision to its expectations of revenue and contribution from the Bioplastics division in 2024 Q4 and therefore for the full year.

The RF division is focused on delivering the large contracts won late last year and in 2024 H1. However, owing to ongoing difficulties in the supply chain for components, the Board anticipates a delay in delivery of one of the RF division's projects until 2025 Q1, impacting revenues in the final quarter of 2024 for the division.

As a result of the matters set out above, the Board has adjusted its revenue expectations for Biome in 2024, which are now expected to be below current market expectations with a consequential impact on profitability. Despite this, the Board is encouraged by the progress being made in both divisions to improve revenue run rates, albeit this improvement is now likely to occur in 2025.

**-Ends-**

**For further information please contact:**

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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.

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