2 March 2022

Byotrol plc ("Byotrol" or the "Company")
Trading Update

Our second half performance (six months to 31 March 2022) is showing a significant improvement in product sales compared to our first half, and the order book remains strong into year end.

We now expect product sales for the full year of £5.2m, below FYE March 2021 but in line with the previous year, itself inflated by 3 months of covid-related demand. Such sales, combined with IP sales already (£770k) – or very likely to be - secured, and continued careful management of our cost base, means we expect a profitable second half.

Our results for the year to 31 March 2022 are very much dependent on exactly which IP agreements we are able (and - dependent on terms - willing) to close in the next four weeks. If we do not conclude any large IP sales, we would expect overall revenues to be no less than £6m, with positive underlying EBITDA for the year. If this is indeed the outcome for the year, we would expect to conclude a number of IP sales in the first half of our next financial year.

Our balance sheet remains solid and debt-free and we expect our cash position at year end to be no less than £1m without any new IP agreements. In the year we have absorbed over £300k in restructuring and costs related to new hires.

Underlying market trends are very favourable for long term growth. Short-term market conditions remain difficult though, with too much supply still chasing too little consumption, especially in hand hygiene. This has been easing a little in the last 3 months as weaker competitors disappear and regulations bite harder, but the recovery is certainly not smooth, and some suppliers are discounting very aggressively.

Existing IP agreements continue to perform relatively well, although they have also been impacted by markets slowing post pandemic. We remain heavily constrained by NDAs in our reporting of licensee and IP partner financial performance – as are our partners by NDAs with their customers. But we believe that Solvay now has two global multinationals and two large regional players (one in Asia and one in US) actively marketing the Actizone formulation under their own brands, with more to follow. We therefore expect to receive our first 'royalty' payment from Solvay this financial year. Whilst this is likely to be small given the early stage of launches so far, the longer-term outlook is excellent and offers us 100% margin with minimal associated costs. We will report with as much detail as we can at year end on the progress of our licensees and partners.

Our seaweed antivirals project is advancing encouragingly. We now have independent verification of the technology's potential in our own markets but also now in OTC pharmaceuticals, where two global multinational companies are engaged with us in testing and analysis. Both are generating very impressive results for speed and breadth of virus elimination, including in comparison to current technologies on sale to consumers. We now see potential for the technology in antiviral products that are 100% natural and can for instance be inhaled. We continue to invest in this project and of course are filing patents to protect our position.

We have used the extra resources from the additional covid-related sales to completely change our organisation in readiness for the post-covid world, with a full time CFO, three other new leadership hires, all with excellent and relevant experience, alongside continued heavy investment in technology.

The new team is focussing on:

- A review of strategy for the new, post covid market conditions, that will result in
  - more resources put into products based on fewer technologies and sold into fewer market segments, but with greater emphasis on segmental marketing, sales and export markets.
  - Continued monetisation of our technologies by way of IP agreements into non-core markets, including some non-core technology sales
  - A more nuanced regulatory strategy, to account for increasing divergence between the UK and the EU post-Brexit. This was an unexpected development, but we believe the added complexity creates greater opportunity for us.
- Completing the pandemic-delayed integration of Medimark, and finally securing the significant revenue and cost synergies identified at the time of acquisition.

The Directors continue to believe that our IP rich, technology-driven and regulatory-focussed approach is the right one for success in the infection control industry. It builds trust with our direct customers, and with our corporate customers (that then in turn allows for IP agreements, which gets us into markets and products that we cannot access ourselves).

Byotrol is now a financially solid, healthy business. We are now focusing our efforts on fewer technology platforms and our product sales in fewer market segments, with a new team that has the experience and expertise to deliver long-term growth. We remain excited about the opportunities ahead and will report more fully on our plans at year end.

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

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Notes to Editors:

Byotrol plc (BYOT.L), quoted on AIM, is a leading infection prevention and control technology company, operating globally in the Food, Industrial, Healthcare and Consumer sectors, providing low toxicity products with a broad-based and long-lasting efficacy across all microbial classes; bacteria, viruses, fungi, moulds, mycobacteria and algae.

Powerful, long-lasting and gentle, Byotrol's products can be used stand-alone or as ingredients within existing products, where Byotrol can significantly improve their performance, especially in personal hygiene, domestic and industrial disinfection, odour control, food production and food management.

Founded in 2005, the Company develops technologies that create easier, safer and cleaner lives for everyone.

For more information, please go to www.byotrol.co.uk