



**Byotrol Plc
("Byotrol" or the "Company")**

Trading Update

Proposed Cancellation of admission of Ordinary Shares to trading on AIM

Proposed Re-registration as a Private Limited Company

Proposed Post-Cancellation Fundraising

Byotrol Plc (AIM: BYOT), the specialist infection prevention and control company, today provides a year end trading update.

Alongside this, the Company announces the proposed cancellation of the admission of its ordinary shares to trading on AIM (the "Cancellation"), re-registration of the Company as a private limited company (the "Re-registration") and a proposal to undertake a post-Cancellation fundraising as an unquoted company.

Further details are set out below in this announcement.

A circular ("Circular") will be sent to Shareholders later today, setting out the background to and reasons for the proposed Cancellation and the Re-registration, as well as details of the shareholder authorities required to enable a fundraising proposed to take place following the Re-registration, including a proposed share split ("Capital Reorganisation") and new articles of association. The Circular will also contain a notice convening a general meeting ("General Meeting"), at which Shareholders are invited to consider the proposed resolutions therein.

Year End Trading Update

The Company expects to report results for the full year to 31 March 2024 as follows:

Product sales

- Product sales are likely to be in line with expectations at approximately £3.9m, showing modest growth on £3.7m in the previous year on a like-for-like basis (excluding discontinued items). Including discontinued items, prior year product sales were £4.3m.
- The product sales business is now showing very encouraging momentum, benefitting from its primary focus on animal healthcare and niche human health (non-medical devices). In the year to 31 March 2024, 68% of product sales were in animal health, compared to 63% in the comparative period on a like-for-like basis. Gross margin is tracking to 43.0% for the year, which demonstrates a good return for a 100% outsourced manufacturing model, compared to 42.6% in the prior year.

Intellectual Property

- We are not expecting any further IP revenue in the year to 31 March 2024. As previously disclosed, we have concentrated this year on maximising cash from IP and are pleased to report we have already generated cash from IP of approximately £800k this year (£400k in the previous year). This includes

an increase in cash receipts compared to plan, from early termination of two existing licenses (with Turtle Wax Europe Ltd and Tristel Plc). Both sets of assets were deemed non-core to the counterparties' respective strategies and in both cases we agreed to terminate by mutual consent. We then agreed to sell to Tristel the underlying IP relating to one of the three previously licensed formulations, the proceeds of which are included in the 'cash-generated' figure above. These two transactions are positive in cash terms but will also result in an exceptional accounting charge to our P&L at year end of £550k, reflecting a write-off of future minimum guaranteed royalties.

- Our two major IP initiatives – Syensqo (previously Solvay) Actizone and Integrated Resources Inc's Byotrol 24 – remain as previously reported, with continued progress towards launches via their own respective clients, but not sufficient commercial traction yet to be material to the Company and with no reliable visibility of when that will change. Additional returns from these relationships remain unpredictable in timing and magnitude.

With no further IP revenue expected before the financial year end, the Company now expects headline EBITDA before exceptionals of approximately -£1.0m, compared to -£0.7m the previous year.

As previously reported, our cash position remains tight and access to further capital is challenging in current market circumstances. At present we have sufficient cash to finance current operations and commitments, but we will require a restructure and a small fundraise (as detailed below) to ensure that continues to be the case, absent an injection from IP transactions or strategic investment.

Background to the Proposed Cancellation

As part of the required restructure, and after careful consideration and consultation with key stakeholders, the Directors have concluded unanimously that being listed is no longer in the best interests of the Company and that we should now seek cancellation of the Company's ordinary shares on AIM. The Directors believe – despite recent good progress in the products business - that it is no longer financially viable for Byotrol to continue to trade as an AIM quoted business.

In reaching this conclusion the Board has considered the following key factors (amongst others):

- Our urgent need to reach sustainable break-even and to eliminate all non-core costs to help us achieve that. A continued AIM quotation has become unnecessarily costly and regulatorily burdensome for our current stage of development.
- The lack of liquidity in our ordinary shares and the volatility of our share price as a result, which in turn has a materially adverse impact on the perception of the Company by customers, suppliers, employees and other stakeholders. The Directors do not believe the current market valuation reflects the underlying strength of the Company's product business, its IP portfolio or the current market opportunity.
- The impact of the regulatory regime on strategic flexibility. The Board believes that an unlisted company can take and implement decisions more quickly than a company that is publicly traded.

Therefore, as a result of this review, the Board has unanimously concluded that the proposed Cancellation and Re-registration is in the best interests of the Company and its Shareholders as a whole.

Process for Cancellation

Under the AIM Rules, it is a requirement that the Cancellation must be approved by Shareholders holding not less than 75 per cent. of votes cast by Shareholders at the General Meeting. Accordingly, the notice

of General Meeting set out in the Circular contains a special resolution to approve the Cancellation (the "Cancellation Resolution").

Furthermore, Rule 41 of the AIM Rules requires any AIM company that wishes the London Stock Exchange to cancel the admission of its shares to trading on AIM to notify shareholders and to separately inform the London Stock Exchange of its preferred cancellation date at least 20 clear business days prior to such date. In addition, a period of at least five clear business days following Shareholders' approval of the Cancellation is required before the Cancellation may become effective.

In accordance with AIM Rule 41, the Directors have notified the London Stock Exchange of the Company's intention, subject to the Cancellation Resolution being passed at the General Meeting on 22 April 2024, to cancel the Company's admission of the Ordinary Shares to trading on AIM. Accordingly, if the Cancellation Resolution is passed by the Shareholders, the Cancellation will become effective at 7.00 a.m. on 30 April 2024.

Process for Re-registration

Following the Cancellation, the Directors believe that the requirements and associated costs of the Company maintaining its public company status will be difficult to justify and that the Company will benefit from the more flexible requirements and lower costs associated with private limited company status. It is therefore proposed to re-register the Company as a private limited company. In connection with the Re-registration, it is proposed that new articles of association (the "New Articles") be adopted to reflect the change in the Company's status to a private limited company. The principal effects of the Re-registration and the adoption of the New Articles on the rights and obligations of Shareholders and the Company will be summarised in the Circular. Under the Companies Act 2006, the Re-registration and the adoption of the New Articles must be approved by Shareholders holding not less than 75 per cent. of votes cast by Shareholders at the General Meeting (the "Re-registration Resolution").

If the Cancellation Resolution and the Re-registration Resolution are approved at the General Meeting, an application will be made to the Registrar of Companies for the Company to be re-registered as a private limited company. Re-registration will take effect when the Registrar of Companies issues a certificate of incorporation on Re-registration. The Registrar of Companies will issue the certificate of incorporation on Re-registration when it is satisfied that no valid application can be made to cancel the Re-registration Resolution or that any such application to cancel the Re-registration Resolution has been determined and confirmed by the Court.

Capital Reorganisation

As the Company is not permitted by law to issue shares at an issue price which is below their nominal value, the Company's ability to raise funds from investors is currently limited due to the proximity of the mid-market price of the shares to their nominal value. Whilst the Board's objective is to achieve the highest possible issue price for the Company when issuing shares, it is cognisant that, given current market conditions, the Company may be unable to issue shares at a sufficient discount to their market price in order to attract further equity investment into the business.

In order to enable the Company to issue shares at an issue price which exceeds their nominal value, shareholder approval is being sought to complete a Capital Reorganisation.

The Capital Reorganisation will involve:

- each of the existing ordinary shares of 0.25p each ("Existing Ordinary Shares") will be subdivided into and reclassified as one New Ordinary Share (defined below) and one Deferred Share (defined below);

- each New Ordinary Share will be an ordinary share in the capital of the Company with a nominal value of £0.0001 (0.01 pence) ("New Ordinary Share"); and
- each Deferred Share will be a deferred share in the capital of the Company with a nominal value of £0.0024 (0.24 pence) ("Deferred Share").

Subject to the passing of the relevant resolutions at the GM, the Capital Reorganisation will take effect at the close of business on the date of the GM ("Record Date").

As a consequence of, and immediately following, the Capital Reorganisation becoming effective each Shareholder's holding of New Ordinary Shares will be the same as the number of Existing Ordinary Shares held by them on the Record Date. Each shareholder's proportionate interest in the Company's issued ordinary share capital will, and thus the aggregate value of their holding should, remain unchanged as a result of the Capital Reorganisation.

The New Ordinary Shares will have the same rights as those currently accruing to the Existing Ordinary Shares in issue under the articles of association of the Company, including those relating to voting and entitlement to dividends.

The Deferred Shares created will be effectively valueless as they will not carry any rights to vote or dividend rights. The Deferred Shares will not be traded on the AIM Market and will not be transferable without the prior written consent of the Board. No share certificates will be issued in respect of the Deferred Shares, nor will CREST accounts of Shareholders be credited in respect of any entitlement to Deferred Shares.

The intention is that Deferred Shares will be cancelled in due course following a court approved reduction of capital or other means, if available.

Directorate Changes

The current executive management team will remain in place after the proposed Cancellation and Re-registration process.

Should Cancellation be approved by Shareholders, Dr Trevor Francis, Non-Executive Chairman since April 2023, will step down and return to a Non-Executive Directorship. Dr Francis will be replaced by Ashley Head, currently Non-Executive Director.

Secondary Market Trading Facility

The Directors are aware that should the proposed Cancellation be approved by Shareholders at the General Meeting, it will become more difficult to buy and sell shares in the Company. Therefore, post de-listing, the Company intends to implement a Matched Bargain Facility with Asset Match to assist Shareholders with conducting future share transactions.

There can be no guarantee when this facility will be made available to Shareholders or kept in place indefinitely.

Takeover Code

The Takeover Code applies to all offers for companies which have their registered offices in the United Kingdom, the Channel Islands or the Isle of Man if any of their equity share capital or other transferable securities carrying voting rights are admitted to trading on a UK regulated market or a UK multilateral trading facility or on any stock exchange in the Channel Islands or the Isle of Man.

The Takeover Code also applies to all offers for companies (both public and private) which have their registered offices in the United Kingdom, the Channel Islands or the Isle of Man and which are considered by the Takeover Panel to have their place of central management and control in the United Kingdom, the Channel Islands or the Isle of Man, but in relation to private companies only if one of a number of conditions is met - for example, if the company's shares were admitted to trading on a UK regulated market or a UK multilateral trading facility or on any stock exchange in the Channel Islands or the Isle of Man at any time in the preceding ten years.

In view of the Re-registration, and provided that the Company's place of central management and control continues to be considered by the Takeover Panel to be in the United Kingdom, the Takeover Code will apply to the Company for ten years following the Cancellation, including the requirement for a mandatory cash offer to be made if either:

- a person acquires an interest in shares which, when taken together with the shares in which persons acting in concert with it are interested, increases the percentage of shares carrying voting rights in which it is interested to 30 per cent. or more; or
- a person, together with persons acting in concert with it, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with it, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which it is interested.

Under Rule 9 of the Takeover Code, when any person or group of persons acting in concert, individually or collectively, are interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of a company but do not hold shares carrying more than 50 per cent. of the voting rights of a company and such person or any person acting in concert with him/her acquires an interest in any other shares, which increases the percentage of the shares carrying voting rights in which he/she is interested, then that person or group of persons is normally required by the Panel to make a general offer in cash to all shareholders of that company at the highest price paid by them for any interest in shares in that company during the previous 12 months. Rule 9 of the Takeover Code further provides that where any person, together with persons acting in concert with him/her, holds over 50 per cent. of the voting rights of a company to which the Takeover Code applies and acquires additional shares which carry voting rights, then that person will not generally be required to make a general offer to the other shareholders to acquire the balance of the shares not held by that person or his/her concert parties.

Following the expiry of the 10 year period from the date of the Cancellation (subject to the Re-registration occurring), or such other date on which the Takeover Code ceases to apply to the Company, the Company will no longer be subject to the provisions of the Takeover Code. A summary of the protections afforded to Shareholders by the Takeover Code which will be lost is set out in the Circular.

Fundraising

As previously reported, the Company's cash position remains tight and access to further capital is challenging in current market circumstances. At present, whilst we have sufficient cash to finance current operations and commitments, the proposed fundraising will ensure that continues to be the case, absent an injection from IP transactions or strategic investment.

Accordingly and following the Cancellation, Re-registration and Capital Reorganisation, the Company intends to effect an equity fundraising to raise up to £500,000 by way of an issue of new Ordinary Shares

at a price to be agreed. The Directors intend to take up at least their share of the fund raising on a prorated basis to current equity holdings.

General Meeting

The Company is convening the General Meeting to consider and, if thought fit, pass: (i) an ordinary resolution to approve the Capital Reorganisation (ii) a special resolution to approve the Cancellation, (iii) a special resolution to approve the Re-registration (including approving the New Articles), (iv) an ordinary resolution for an authority to allot in connection with the proposed fundraising, and (v) a special resolution for authority to disapply pre-emption rights in connection with the proposed fundraising. The resolution to approve the Re-registration is conditional on the resolution approving the Cancellation being passed by Shareholders at the General Meeting and the Cancellation becoming effective.

Should the Cancellation be approved by Shareholders at the General Meeting, the Group will implement a matched bargain facility with a third party facility provider which will facilitate Shareholders buying and selling Ordinary Shares on a matched bargain basis following Cancellation.

The General Meeting will be held at the offices of Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT commencing at 11.00 a.m. on 22 April 2024.

Formal notice convening the General Meeting and setting out the resolutions to be considered at it will be set out in the Circular which is expected to be posted to Shareholders today. In line with the Company's approach at annual general meetings, hard copy proxy forms are not being sent to Shareholders in connection with the General Meeting. The Company would like to encourage Shareholders to vote electronically or appoint a proxy electronically, which can be done via www.signalshares.com, via the LinkVote+ app or, where Ordinary Shares are held in CREST, via CREST. Certain Shareholders may also be able to appoint a proxy electronically via the Proximity platform. Shareholders may also request a hard copy form of proxy directly from the Company's registrar, Link Group, by calling 0371 664 0300 or by emailing shareholderenquiries@linkgroup.co.uk.

Notwithstanding the method of appointment, proxy appointments must be received by Link Group by 11.00 a.m. on 18 April 2024, being 48 hours before the time fixed for the General Meeting.

A copy of the Circular, the notice of General Meeting and the New Articles will be made available on the Company's website at www.bytrol.com.

For further information contact:

Byotrol Plc

Dr Trevor Francis, Non- Executive Chairman
David Traynor, Interim Chief Executive Officer
Chris Sedwell, Chief Financial Officer

+44 (0)1925 742 000

Cavendish Capital Markets Limited (Nominated Adviser and Broker)

Geoff Nash/George Dollemore – Corporate Finance
Nigel Birks/Harriet Ward – ECM

+44 (0)20 7220 0500

Flagstaff Strategic and Investor Communications

Tim Thompson/Andrea Seymour/Fergus Mellon

+44 (0)20 7129 1474
byotrol@flagstaffcomms.com

This announcement is released by Byotrol Plc and, prior to publication, the information contained herein was deemed to constitute inside information under the Market Abuse Regulations (EU) No. 596/2014. Such information is disclosed in accordance with the Company's obligations under Article 17 of MAR.

Notes to editors

Byotrol plc (BYOT.L), quoted on AIM, is a specialist infection prevention and control company, operating globally in the animal and human healthare, industrial, institutional and consumer sectors, providing low toxicity products with a broad-based and targeted efficacy across all microbial classes; bacteria, viruses (including coronavirus), fungi, moulds, mycobacteria and algae.

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

Byotrol develops and commercialises technologies that create easier, safer and cleaner lives for everyone.

For more information, go to byotrol.com

EXPECTED TIMETABLE OF PRINCIPAL EVENTS ^{(1) (2)}

Notice provided to the London Stock Exchange to notify it of the proposed Cancellation	28 March 2024
Publication and posting of this document	28 March 2024
Latest time and date for receipt of online proxy votes or completed Forms of Proxy in respect of the General Meeting	11.00 a.m. on 18 April 2024
General Meeting	11.00 a.m. on 22 April 2024
Record Date and final date and time for trading in Existing Ordinary Shares ⁽³⁾	6.00 p.m. on 22 April 2024
Expected date of admission of the New Ordinary Shares arising from the Capital Reorganisation	23 April 2024
Expected last day of dealings in New Ordinary Shares on AIM	29 April 2024
Expected date of Cancellation ⁽⁴⁾	7.00 a.m. on 30 April 2024
Expected date of Re-registration ⁽⁵⁾	By 21 May 2024
Matched bargain facility for Ordinary Shares	

commences

By 30 April 2024

Notes:

- (1) All of the times referred to in this announcement refer to London time, unless otherwise stated.
- (2) Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and dates will be notified to Shareholders by an announcement through a Regulatory Information Service and/or the Company's website.
- (3) The Capital Reorganisation and admission of the New Ordinary Shares to trading on AIM requires the approval of not less than 50% of the votes cast by Shareholders at the General Meeting
- (4) The Cancellation requires the approval of not less than 75% of the votes cast by Shareholders at the General Meeting.
- (5) The Re-registration requires the approval of not less than 75% of the votes cast by Shareholders at the General Meeting.

