



25 February 2016

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

**TRADING UPDATE**

Byotrol plc, the specialist anti-microbial technology company, is pleased to give a trading update for the year ending 31 March 2016.

The regulatory approval process with the Environmental Protection Agency ("EPA") in the USA is on track, with the toughest microbiological test already completed satisfactorily. The remaining tests are scheduled to be completed by the middle of the summer and talks are already underway to commercialise our patented technology. Completion of the EPA process will enable us to claim 24 hour anti-microbial protection; this is the first such registration to our knowledge in the USA for consumer products and puts us well ahead of competitors.

Our partnership with Solvay is progressing well. Some of Solvay's multinational clients are undertaking detailed testing and research for a consumer product launch and a small number of high level commercial discussions are underway. Elsewhere, our final round of testing with ISS for Byotrol efficacy in hospital wards is due to start at the end of February, with results expected in April. More broadly, we have an unprecedented number of deals under discussion across a spectrum of countries and sectors. Several are nearing completion and all are with well-known names in their respective markets. These include, for example, hand sanitisers in Japanese consumer and medical markets, pet environment cleaning products in continental Europe and surface care products in the USA. Our focus is finalising and then closing these deals.

At a divisional level our petcare (Consumer) business is performing satisfactorily but our food (Professional) business is behind plan due to the impact of the recent changes in the regulatory environment relating to limits on use of quaternary ammonium compounds. As a consequence we are seeing some product mix issues, however we are addressing these aggressively and are testing an alternative formulation that we believe will restore our competitive edge.

Despite the hiatus in the food business and accelerated EPA costs the Board expects any resulting shortfall in EBITDA for the second half of the year to be mitigated by R&D tax credits and confirms the company's working capital position is entirely adequate for future needs.

As has been flagged in our previous communications, many of our growth initiatives are based on the licencing model - this makes sense given our size. However, we have remained dedicated to our legacy business, where the model is generally to subcontract the manufacturing and distribution to our customers, primarily in food and pet. The Board keeps the Company's business model under constant review, especially given changes under way with the Biocidal Products Regulations in the EU. It is no secret and openly discussed by our competitors that industry consolidation is inevitable. In the interests of shareholders the Board keeps an open and pragmatic view of the Company's strategic options.

Nicholas Martel, Chairman says: *"The Board has never been more positive about the opportunities and our work load has never been higher. Our Executive Team have positioned Byotrol to be a completely different Company over a period of only two years, whilst overcoming the dislocation to the legacy business from the changing EU regulations. Most of our development has been directed towards the consumer market and we are now engaged, alongside Solvay, with some of the most prominent consumer companies worldwide – we are seen as the experts on long lasting anti-microbial technology. From these discussions it is clear there is strong demand from consumers for long lasting products and we are perfectly positioned to offer the solution to the consumer companies' quest to meet that demand."*

**Enquiries:**

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**Notes to Editors:**

Byotrol plc (BYOT.L), quoted on AIM, is a specialist developer of residual antimicrobial technologies, identifying, developing, formulating and commercialising cutting-edge antimicrobial technologies.

Our patented suite of technologies deliver powerful broad-spectrum efficacy with residual performance optimised against commonly occurring and industry-specific pathogens

Founded in 2005, the Company has developed the technology that creates easier, safer and cleaner lives

For more information, please go to [www.byotrol.co.uk](http://www.byotrol.co.uk)