

Bio-on announces new multi-license maxi agreement for revolutionary PHAs bioplastic

- New multi-license framework agreement signed worth total of 55 million Euro
- New plants envisaged in Europe and Asia to produce up to 100 thousand tonnes per year of PHAs bioplastic
- Objective to replace conventional plastic with biopolymers made from agro-industrial waste

BOLOGNA, ITALY, 22 December 2016 – Bio-on announces it has signed a new multi-license contract worth 55 million Euro with a major multinational company and leader in its sector. The goal of Bio-on's new client is, within the next 3 years, to replace conventional plastic with biodegradable biopolymers made from agro-industrial waste using Bio-on's revolutionary PHAs bioplastic. Thus transforming waste into raw material, using a new plastic with a positive impact on people and the planet.

The first license comes into effect on signing the agreement, while a second will be activated in the first half of 2017, concluding the preparatory activities for the launch of the industrial project. All licenses and relative revenues, for a total of 55 million Euro, will be developed continuously over the next 24-36 months. Alongside the industrial development, the two companies have signed two further agreements to design and develop new applications for the materials by Spring 2017. This activity will be worth 1 million Euro.

The plan envisages the construction of a series of PHAs bioplastic production plants for an overall output of 100,000 tonnes per year. The individual plants will have a potential of between 10,000 and 30,000 tonnes per year and will be built in Europe and Asia according to a three-year schedule, which will meet the needs of Bio-on's multinational client to produce its own PHAs biopolymer. Thanks to this agreement, the company will from 2020 be able to replace a large part of the conventional plastic now used in its products with an innovative, 100% natural and biodegradable material.

"This multi-layered agreement is an important milestone for us," explains **Marco Astorri, Bio-on Chairman and CEO**, "it comes at the end of a long and complex negotiation process which began in the second quarter of 2016 and is in line with the forecasts for 2017 and 2018 laid down in the new industrial plan we presented in November 2016. Signing such a large contract with a prestigious, leading multinational confirms the great value of our technology and represents further affirmation on the market of PHAs bioplastic, which is the only real alternative to the environmental problem of conventional plastics."

The PHAs bioplastics (polyhydroxyalkanoates) developed by Bio-on are made from renewable plant sources with no competition with food supply chains. They guarantee the same thermo-mechanical properties as conventional plastics with the advantage of being 100% eco-sustainable and naturally biodegradable at ambient temperature.

Based on the agreement announced today, the PHAs bioplastic to be produced with the technology licensed out by Bio-on will be made from co-products of the sugar industry and the production of starch and its derivatives. All the bioplastic produced at the new plants, 100 thousand tonnes per year, will be used by the multinational exclusively within its own production cycle to create finished products ready for sale. In other cases, Bio-on licenses allow for the bioplastic to be put on the market and sold to custom moulders.

Bio-on S.p.A.

Bio-on S.p.A., an Italian Intellectual Property Company (IPC), operates in the bioplastic sector conducting applied research and development of modern bio-fermentation technologies in the field of eco-sustainable and completely naturally biodegradable materials. In particular, Bio-on develops industrial applications through the creation of product characterisations, components and plastic items. Since February 2015, Bio-on S.p.A. has also been operating in the development of natural and sustainable chemicals for the future.

Bio-on has developed an exclusive process for the production of a family of polymers called PHAs (polyhydroxyalkanoates) from agricultural waste (including molasses and sugar cane and sugar beet syrups). The bioplastic produced in this way is able to replace the main families of traditional plastics in terms of performance, thermo-mechanical properties and versatility. Bio-on PHA is a bioplastic that can be classified as 100% natural and completely biodegradable: this has been certified by Vincotte and by USDA (United States Department of Agriculture). The Issuer's strategy envisages the marketing of licenses for PHAs production and related ancillary services, the development of R&D (also through new collaborations with universities, research centres and industrial partners), as well as the realisation of industrial plants designed by Bio-on.

The alphanumeric codes for ordinary shares "ON" IT0005056236, for ordinary shares "ON" with bonus share IT0005056228 and for warrants "WARRANT Bio-on 2014-2017" IT0005056210. The minimum unit of trading envisaged by the Italian Stock Exchange is 250 shares. Company Nomad is EnVent S.p.A.. Banca Finnat Euramerica S.p.A. acts as company specialist.

Press information: Simona Vecchies +393351245190 - press@bio-on.it

Twitter: @BioOnBioplastic

Issuer

Bio-on S.p.A.
via Dante 7/b
40016 San Giorgio di Piano (BO)
Marco Astorri
Tel: +39 051 893001
info@bio-on.it

Nomad

EnVent Capital Markets Ltd
25 Savile Row W1S 2ER London
Tel.+447557879200
Italian Branch
Via Barberini, 95 00187 Roma
Tel: +39 06 896.841
pverna@enventcapitalmarkets.uk

Specialist

Banca Finnat Euramerica S.p.A.
Piazza del Gesù, 49
00186 Roma
Lorenzo Scimia
Tel: +39 06 69933446
Fax: +39 06 6791984
l.scimia@finnat.it