

Bio-on grants bioplastic technology license to Russian group TAIF for production in Russia. 17.6 million Euro agreement.

- A highly important agreement for technological and commercial relations between Italy and Russia was signed in Moscow in the presence of Russian Federation President Vladimir Putin and Italy's Prime Minister Giuseppe Conte.
- The agreement is worth 17.6 million Euro for Italian company Bio-on: 5.6 million for licensing the technology to produce 100% natural and biodegradable PHAs bioplastic, and 12 million for supplying high-tech fermentors design plants to the TAIF JSC group.
- This agreement will see the Russian Federation's first PHAs production plant (in Republic of Tatarstan) with Bio-on technology. The TAIF JSC group will invest 90 million Euro in the production hub. The hub is expected to be operational by 2020.

Moscow (Russia) 24 October 2018 – **Bio-on**, listed on the AIM segment of Borsa Italiana and operating in the high quality bioplastic sector, **has signed an agreement with the Russian TAIF JSC group, which will acquire a license to build the Russian Federation's first plant producing 100% natural and biodegradable PHAs bioplastic, in the Republic of Tatarstan.**

The agreement was signed in the Kremlin in Moscow as part of bilateral meetings between Italy and Russia, in the presence of Russian Federation President Vladimir Putin and Italy's Prime Minister Giuseppe Conte. It marks a major milestone for the Italian company exactly 4 years since it was listed on the Milan stock exchange in 24 October 2014 with the ON symbol.

The agreement is worth a total of 17.6 million Euro (as anticipated in the presentation of the half-year results). In particular, 5.6 million goes on licensing Bio-on's exclusive technology to produce PHAs from sugar beet by-products; 12 million goes on the supply of plant components built according to Bio-on's proprietary technology. The industrial group TAIF JSC, operating in the traditional petrochemical sector, will invest a further 90 million Euro in building a 10 thousand tons/year production site expandable to 20 thousand tons/year in the future. The plant, the design of which will begin next month, will be operational in 2020.

With this project, the TAIF JSC group intends to open up new sectors of development for the revolutionary "green" plastic designed by Bio-on, both in segments traditionally served by oil-based plastics and in high added value advanced sectors.

"This agreement is of major importance to us," explains **Bio-on S.p.A. Chairman and CEO Marco Astorri**, "and it rewards the long and complex negotiations process launched in 2017. Signing the first contract with one of the main industrial groups in the Russian Federation, a leading plastics manufacturer," continues Astorri, "confirms the immense value of PHAs bioplastic, which is today the only alternative to the environmental issues created by conventional plastics."

"It is an important milestone," adds **Vittorio Folla, Managing Director of Bio-on S.p.A.** who led the negotiations, "in the process of consolidating our technology on international markets and, in tandem with our licensing activity launched in 2015, it helps in the construction of new production plants that can meet the growing demand for product in a number of sectors." All the **PHAs** bioplastics (**polyhydroxyalkanoates**) designed 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. They also offer the possibility of new applications in sectors where conventional plastic is not used.



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 conventional plastics in terms of performance, thermo-mechanical properties and versatility. Bio-on PHAs 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.

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