

**Plant Impact plc**

("Plant Impact", the "Company" or together with its subsidiaries, the "Group")

**Third Quarter Trading Update**

Plant Impact plc (AIM: PIM) leads research and development in crop enhancement technology to create products that growers can rely on to increase the yield and quality of their crops. Today the Group announces a trading update for the nine month period ended 30 April 2017.

**Year to Date Trading**

Revenue for the nine month period to 30 April 2017 was up 55% on the same period last year at £7.3m (2016: £4.7m). On a constant currency basis, year-to-date revenue has increased around 30% compared with the same period last year as the Group benefits from the relative weakness of Sterling.

As explained at the time of our interim results, much of this underlying year to date growth has come from increased shipments of our flagship soybean product Veritas® to Brazil for the 2016/17 growing season. Third quarter revenue of £2.4m (2016: £0.5m) included the final shipments of Veritas® product for that growing season, particularly timed for later stage soybean and dry bean crops. Revenue in the third quarter for other parts of the world was modest, as expected, but consistent with our full year business plans.

The cash balance at 30 April 2017 was £3.7m (31 January 2017: £6.0m), with the outflow reflecting that payment for Q3 shipments was not received until after the period end. The balance at the 31 May 2017 was £5.0m.

**Market Update and Outlook**

The Group's business plans for fourth quarter trading, set at the start of the year, included an expectation of revenue from early shipments of Veritas® for the 2017/18 Brazil season. Usage of Veritas® by Brazilian growers in the field over the course of the 2016/17 growing season was significantly up on the prior year and in-field technical performance of the product has been strong. However, challenging industry-wide trading conditions in the country have meant that end of season inventory levels of agricultural chemical products in Brazil, including Veritas®, are higher than expected.

In order to preserve their exclusive rights to market Veritas® in Brazil, Bayer Cropscience are required to purchase annual minimum contractual volumes of product. The Group is in discussions about how they will meet these commitments, including exploring contractual amendments which would enable higher volume product strategies and integrated commercial offers to growers. The outcome of these discussions may impact the full year results and expectations for growth in the next financial year. We will update the market with further announcements as appropriate.

Fourth quarter trading in other products and geographies is progressing well and is expected to be at least in line with the Board's expectations which were for material growth compared with the minimal revenue achieved in the same period last year. In particular, this fourth quarter will see the first season revenue for Fortalis® in the US, further sales of Banzai™ into West Africa and the usual northern hemisphere revenues for traditional fruit and vegetable products.

With regard to R&D, the soybean development portfolio has benefited from another season's work in Brazil with one new product having reached the end of its development stage. This provides the potential for first sales in the next crop cycle in Brazil. Field results from first customers and trial growers using Fortalis® in Argentina were also good, with the product delivering a c.4% yield uplift over what were excellent seasonal yields in that market. Post-season customer feedback has also been positive, and the Group is now in commercial planning for the coming 2017/18 growing season.

For further information please contact:

**Plant Impact plc**

Tel: +44 (0) 1582 465 540

John Brubaker, Chief Executive Officer

Richard Amos, Chief Financial Officer

Ailish Tracy, Global Communications Manager

**Peel Hunt** - Nominated Advisor and Broker

Tel: +44 (0) 207 418 8900

Adrian Trimmings

George Sellar

**Buchanan** - Financial PR

Tel: +44 (0) 207 466 5000

Mark Court

Sophie Cowles

Jamie Hooper

*The Company considers that this announcement contains inside information for the purposes of the Market Abuse Regulation*

**Ends**