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19 October 2017

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC

("Symphony", the "Company" or "the Group")

Proposed Capital Reduction and Notice of Extraordinary General Meeting

Symphony Environmental Technologies plc (AIM:SYM) announces that the Company will later today post a circular to its Shareholders detailing a proposal to undertake a court approved reduction of capital ("Capital Reduction"). In addition, the circular also contains a notice of the Extraordinary General Meeting of the Company which is to be held at 10 am on the 8th November 2017 at the Company's office at 6 Elstree Gate, Elstree Way, Borehamwood, Hertfordshire WD6 1JD, the purpose of which is to enable Shareholders to approve the Capital Reduction.

Below are extracts from the circular which should be read in conjunction with the full text. Defined terms used in this announcement have the meaning ascribed to them in the circular.

Background to and reasons for the proposed Capital Reduction

As a result of numerous share issues, the Company has standing to the credit of its share premium account £3,608,041. In accordance with the Companies Act 2006 and applicable accounting practices, the share premium account is an undistributable reserve and, accordingly, the purposes for which the Company can use it are extremely restricted.

The Company's proposal aims to create distributable reserves for the Company by cancelling the amount standing to the credit of the share premium account and transferring it to the Company's profit and loss account. The distributable reserve will be applied, subject to any Court Order, in eliminating retained losses on the Company's balance sheet. Accordingly, the procedure will help to facilitate the payment of future dividends and strengthen the balance sheet of the Company.

The proposal is conditional upon the passing of the resolution set out in the Notice of Extraordinary General Meeting and the confirmation of the Court.

A copy of the circular and Notice of Extraordinary General Meeting will shortly be available on the Company's website at www.symphonyenvironmental.com

There will be no change in the number of Ordinary Shares in issue (or their nominal value) following the implementation of the Capital Reduction. The Capital Reduction itself will not involve any distribution or repayment of capital by the Company and will not reduce the underlying net assets of the Company. The distributable reserves arising on the Capital Reduction will, subject to the discharge of any undertakings required by the Court support the Company's ability to pay dividends, should circumstances in the future make it desirable to do so.

Recommendation

The Board considers the Capital Reduction and the Resolution to be in the best interests of Shareholders and accordingly unanimously recommends that the Shareholders vote in favour of the Resolution. Those Directors with beneficial holdings of Ordinary Shares intend to vote in favour of the Resolution at the Extraordinary General Meeting in respect of their own beneficial holdings of Ordinary Shares amounting, in aggregate, to 37,900,959 Ordinary Shares (representing approximately 25.0 per cent. of the Ordinary Shares in issue at the date of this document).

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NOTES TO EDITORS:

About Symphony Environmental Technologies plc

Symphony has developed and continues to develop, controlled-life plastic technology which helps tackle the problem of microplastics by turning ordinary plastic at the end of its service-life into biodegradable materials. It is then no longer a plastic and can be bioassimilated in the open environment in the same way as a leaf. The technology is branded d₂w® and appears as a droplet logo on many thousands of tonnes of plastic packaging and other plastic products around the world. In some countries oxo-biodegradable plastic is mandatory. For a video of d₂w® plastic degrading see <https://www.youtube.com/watch?v=tQ7ce532BBM>

In addition, Symphony has developed a range of additives, concentrates and master-batches marketed under its d₂p® brand, which can be incorporated in a wide variety of plastic and non-plastic products so as to give them protection against many different types of bacteria, fungi, algae, moulds, insects and fire.

Symphony has also developed the d₂Detector®, a portable device which analyses plastics and detects counterfeit products. This will be very useful to government officials tasked with enforcing legislation. Symphony's d₂t tagging and tracer technology is also available for further security. See www.d2t.net

Symphony has a diverse and growing customer-base and has established itself as an international business with 74 distributors around the world. Products made with Symphony's plastic technologies are now available in nearly 100 countries and in many different product applications. Symphony is certified to ISO9001 and ISO14001.

Symphony is a member of The Oxo-biodegradable Plastics Association (www.biodeg.org) (OPA), the Society for the Chemical Industry (UK), and the Pacific Basin Environmental Council. Symphony actively participates in the Committee work of the British Standards Institute (BSI), the American Standards Organisation (ASTM), the European Standards Organisation (CEN), and the International Standards Organisation (ISO).

Further information on the Symphony Group can be found at www.symphonyenvironmental.com.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that

actual results will be consistent with such forward looking statements. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Subject to any continuing obligations under applicable law or any relevant AIM Rule requirements, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.