Bioventix plc
("Bioventix" or the "Company")

Unaudited Interim Results for the six months ended 31 December 2018

Bioventix plc (BVXP) ("Bioventix" or "the Company"), a UK company specialising in the development and commercial supply of high-affinity monoclonal antibodies for applications in clinical diagnostics, announces its unaudited interim financial results for the six-month period ended 31 December 2018.

Highlights

- Normalised* revenue up 24% to £4.4 million (2017: £3.5m)
- Normalised* profit before tax up 24% to £3.2 million (2017: £2.6m)
- Closing cash balances of £5.5 million (2017: £5.6m)
- First interim dividend up 20% to 30p per share (2017: 25p)

Business review

We are pleased to report interim results for the six-month period ended 31 December 2018.

In comparing the revenues for the equivalent period in 2017, we have excluded a "one-off" back-royalty of £770k that featured in interims of the 2017/18 accounts to arrive at normalised figures.

Revenues for the half-year of £4.4 million (2017: £3.5 million) were 24% up on the previous year.

Total profits before tax for the half-year increased by 24% to £3.2 million (2017: £2.6 million). The cash balances remained similar, finishing the period at £5.5 million (31 December 2017: £5.6 million).

Vitamin D antibody sales continued at the healthy levels seen during the period 2H.2018 and this contributed significantly towards the growth. Whilst this is very encouraging, there is increasing evidence of a plateau in the downstream global vitamin D assay market. Nevertheless, we have seen a growth in sales from some individual customers who appear to be performing well in the downstream market with our antibody. Diazyme (San Diego, US) have made progress with their vitamin D assay which has the attractive feature of being run on general "chemistry" analysers. Boditech (South Korea) is another Bioventix customer who use the vitD3.5H10 antibody and has achieved significant success in the growing Asian vitamin D market with their vitamin D assay.

Other revenue streams for the established antibodies to T3, NT-proBNP and progesterone also performed well during the period.

Sales relating to troponin antibodies (i.e. Siemens & those relating to Beckman Coulter) were not significant in the context of the overall totals for the period. Nevertheless, we can see these revenues increasing and this provides encouragement for future sales performance. There is further evidence of a roll-out of high sensitivity troponin assays reported in the academic literature (Clinical Chemistry; March 2019) though it is possible that some new use of such tests could be part of clinical evaluations or comparisons supported by supplies of free samples that would not register as commercial sales.

Our research activities continue in line with the plans described in the 2018 annual report and we will report further on these various projects with our full year results.

The overall context of the business and the landscape in which we operate has not materially changed since the 2018 annual report and we draw the attention of any new shareholders to this report.

The Board continues to follow a progressive dividend policy that embraces continuity. For the period under review, the Board is pleased to announce a first interim dividend of 30p per share which represents a 20% increase on 1H.2018.

The shares will be marked ex-dividend on 11 April 2019 and the dividend will be paid on 26 April 2019 to shareholders on the register at close of business on 12 April 2019.

We are delighted to be able to report such positive news for the current half-year. We are pleased with the continued success of our vitamin D antibody and the remainder of the core antibody business. We remain optimistic about our troponin revenues and the success of these high sensitivity troponin products around the world and we look forward to further progress in the second half of the year.

P Harrison	I J Nicholson
Chief Executive Officer	Non-Executive Chairman

* excluding back-dated royalties of £0.77 million received in the year ended 30 June 2018

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About Bioventix plc:

Bioventix (www.bioventix.com) specialises in the development and commercial supply of high-affinity monoclonal antibodies with a primary focus on their application in clinical diagnostics, such as in automated immunoassays used in blood testing. The antibodies created at Bioventix are generated in sheep and are of particular benefit where the target is present at low concentration and where conventional monoclonal or polyclonal antibodies have failed to produce a suitable reagent. Bioventix currently offers a portfolio of antibodies to customers for both commercial use and R&D purposes, for the diagnosis or monitoring of a broad range of conditions, including heart disease, cancer, fertility, thyroid function and drug abuse. Bioventix currently supplies antibody products and services to the majority of multinational clinical diagnostics companies. Bioventix is based in Farnham, UK and its shares are traded on AIM under the symbol BVXP.

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

BIOVENTIX PLC
STATEMENT OF COMPREHENSIVE INCOME
for the six month period ended 31 December 2018

	Six months ended 31 Dec 2018 £	Six months ended 31 Dec 2017 £
TURNOVER	4,364,665	3,522,636
Back-dated royalty income	0	772,391
TOTAL TURNOVER	4,364,665	4,295,027
Cost of sales	(438,160)	(244,333)
GROSS PROFIT	3,926,505	4,050,694
Administrative expenses	(655,873)	(612,739)
Share option charge	(67,294)	(67,005)
Difference on foreign exchange	24,680	721
Research & development tax credit adjustment	8,319	18,738
OPERATING PROFIT	3,236,337	3,390,409
Interest receivable	9,662	10,157
Interest payable	(0)	(0)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3,245,999	3,400,566
Tax on profit on ordinary activities	(499,183)	(578,063)
PROFIT FOR THE FINANCIAL PERIOD	2,746,816	2,822,498

Earnings per share for the period:

Basic	53.44p	55.03p
Diluted	52.54p	54.08p

BIOVENTIX PLC
BALANCE SHEET
as at 31 December 2018

	31 Dec 2018 £	31 Dec 2017 £
FIXED ASSETS		
Intangible fixed assets	0	0
Tangible fixed assets	524,761	444,523
Investments	388,377	195,560
	913,138	640,083
CURRENT ASSETS		
Stocks	258,814	254,035
Debtors	3,368,057	3,714,624
Cash at bank and in hand	5,456,257	5,588,796
	9,083,128	9,557,455
CREDITORS: amounts falling due within one year	(797,616)	(800,145)
NET CURRENT ASSETS	8,285,512	8,757,310
TOTAL ASSETS LESS CURRENT LIABILITIES	9,198,650	9,397,393
PROVISIONS FOR LIABILITIES		
Deferred Tax	31,989	11,730
NET ASSETS	9,166,661	9,385,663
CAPITAL AND RESERVES		
Called up share capital	257,034	256,934
Share premium account	414,608	395,108
Capital redemption reserve	1,231	1,231
Profit and loss account	8,493,788	8,732,390
SHAREHOLDERS' FUNDS	9,166,661	9,385,663

BIOVENTIX PLC
STATEMENT OF CASH FLOWS
for the six month period ended 31 December 2018

	31 Dec 2018 £	31 Dec 2017 £
CASHFLOW FROM OPERATING ACTIVITIES		
Cash flows from operating activities		
Profit for the financial year	2,746,816	2,822,498
Depreciation of tangible fixed assets	30,349	16,739
Interest received	(9,662)	(10,157)
Taxation	(90,014)	572,906
Decrease / (increase) in stocks	27,776	(27,862)
Decrease / (increase) in debtors	448,733	(407,567)
(Decrease) /increase in creditors	63,281	57,283
Share option charge	67,294	67,005
Other tax movements	(8,319)	(18,737)
Net cash generated from operating activities	3,272,754	3,072,108
Cash flows from investing activities		
Purchase of tangible fixed assets	(57,307)	(11,950)
Interest received	9,662	10,157
Purchase of unlisted and other investments	(96,953)	0
Net cash from investing activities	**(144,598)**	**(1,793)**
Cash flows from financing activities		
Issue of ordinary shares	100	0
Movement on share premium account	19,500	0
Dividends paid	(4,678,013)	(3,648,459)
Interest paid	(0)	(0)
Net cash used in financing activities	**(4,658,413)**	**(3,648,459)**
Cash and cash equivalents at the beginning of the year	6,986,514	6,166,940
Cash and cash equivalents at the end of the year	**5,456,257**	**5,588,796**
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	**5,456,257**	**5,588,796**

Notes to the financial information

1. While the interim financial information has been prepared using the company's accounting policies and in accordance with Financial Reporting Standard 102, the announcement does not itself contain sufficient information to comply with Financial Reporting Standard 102.

2. This interim financial statement has not been audited or reviewed by the auditors.

3. The accounting policies which were used in the preparation of this interim financial information were as follows:

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102.

3.2 Revenue

- Turnover is recognised for product supplied or services rendered to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria determine when turnover will be recognised:
- Direct sales are recognised at the date of dispatch.
- Subcontracted R & D income is recognised based upon the stage of completion at the year end.
- Annual licence revenue is recognised, in full, based upon the date of the invoice, and royalties are accrued over the period to which they relate. Revenue is recognised based on the returns and notifications received from customers and in the event that subsequent adjustments are identified, they are recognised in the period in which they are identified.

3.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	-	Over 10 years
Know how	-	Over 10 years

3.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Plant and equipment	-	25% reducing balance
Motor Vehicles	-	25% straight line
Equipment	-	25% straight line

3.5 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

3.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

3.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

3.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

3.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

3.12 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

3.14 Employee benefits-share-based compensation

The company operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. At each balance sheet date, the company will revise its estimates of the number of options are expected to be exercisable. It will recognise the impact of the revision of original estimates, if any, in the profit and loss account, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3.15 Research and development

Research and development expenditure is written off in the year in which it is incurred.

3.16 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

3.17 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

3.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

3.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.