Bioventix Plc - BVXP Final Results
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Bioventix plc
("Bioventix" or the "Company")

Preliminary results for the year ended 30 June 2016

Bioventix plc (BVXP), a UK company specialising in the development and commercial supply of high-affinity monoclonal antibodies for applications in clinical diagnostics, announces its audited results for the year ended 30 June 2016.

Highlights:

- Revenue up 27% to £5.5 million
- Profit before tax up 35% to £4.2 million
- Cash up £1.25 million to £5.4 million
- Second interim dividend of 26p per share (2015: 21.6p)
- Special dividend of 20p per share

Business review

We are pleased to report another set of excellent results for the financial year ended 30 June 2016. Most significantly, revenues for the year of £5.5 million (2014/15: £4.3 million) were 27% up on the previous year. Profits also increased significantly by 35% at £4.2 million (2014/15: £3.1 million). Despite increased dividend distribution, cash balances during the year increased by £1.25 million to £5.4 million.

As in recent years, much of the revenue growth has come from our vitamin D antibody (vitD3.5H10) in the form of increased physical antibody sales and royalties. The roll out of our customer's products for vitamin D testing throughout world markets has progressed further during the year. This roll out process has advanced but is not yet quite complete and we remain optimistic that revenues from vitD3.5H10 will continue to grow modestly over the next year.

Our main non vitamin D business comprises (in order of importance) antibodies to NT proBNP (heart failure), testosterone, FT3 (thyroid hormone), estradiol, various drugs (eg THC/cannabis) and progesterone. The revenues from this core business have remained robust and have provided a firm base for the growth that has come from vitamin D.

Of the new antibodies added to the product portfolio over the last few years an antibody to androstenedione, an androgenic steroid that is related to testosterone has started to generate material revenues. The testing volumes for androstenedione at hospitals are lower than for testosterone and so revenues are likely to be of lower value than testosterone in the future as sales grow.

Approximately three quarters of Bioventix sales are generated from customer royalties. These are based on our customers' global sales which are then factored by a royalty percentage and then sent to Bioventix around 2 months after the end of each half year. In the first half of 2016, this mechanism resulted in $ based and Euro based royalties being converted into sterling around August at post Brexit exchange rates of approximately 1.3$/£ and 1.2Euro/£. As no hedging mechanisms are employed, this provided an additional uplift in reported sterling revenues compared to previous periods.

Physical antibody despatches to China have continued during the year at an increased frequency. There are a myriad of emerging Chinese diagnostics companies, both small and larger, that are developing diagnostics products for the Chinese and other global markets. We sell products into this market via some direct sales, but mainly through approved distributors with whom we have long term relationships. Whilst nearly all of the supplies are for R&D use, two Chinese companies are now approaching the commercial phase and we now have two recently signed royalty bearing contracts with these companies. We anticipate modest revenues from such Chinese companies as commercial progress will require a few years to advance. The Bioventix revenue model featuring royalties is not adopted by other reagent suppliers and is considered unusual in China. We are very aware of the future challenge to manage and monitor our royalty agreements and supplies in this market.

Future developments

We recently reported on the progress of our troponin partner Siemens Healthcare Diagnostics and a high sensitivity troponin test which features a Bioventix created antibody. The Board is encouraged by their recent development activities as mentioned in a scientific presentation at the August 2016 American Association of Clinical Chemistry. Troponin remains an important product for Bioventix's future performance as we expect to commence significant sales during the financial year 2017/2018 and we anticipate that this revenue will offset revenues of £0.7 million - £0.8 million from another product which will terminate during this period.

More recent sponsored projects have been in the field of infectious disease and in the field of cancer diagnostics. We will know more about the technical success of these projects over the coming years.

Regarding longer term research projects, we have two separate research activities with two different groups that both happen to be based in Oslo. The secretoneurin (heart disease) project with CardiNor has been running for almost two years and has made significant technical progress. As with all such research, there has been a combination of exciting and unforeseen data. We remain fully committed to exploring the diagnostic utility of secretoneurin together with our Norwegian partners.

Our collaboration with Pre Diagnostics in the field of beta amyloid and Alzheimers diagnostics is at a much earlier stage and we hope to report more on this next year. We have made modest investments in both Oslo companies as part of our commitments to these projects.

Whilst the composition of the Bioventix team has remained stable over the last two years facilitating excellent performance and know how retention, we have recruited two additional graduates having identified excellent candidates during the Autumn. This takes our total head count to 13 full time equivalents and will help us strengthen further our research elements.

The continued outstanding performance of the Company in a globally competitive market for antibodies is very satisfying. Our sheep monoclonal antibody technology continually delivers high performance antibodies to our customers. However, the operation of the antibody technology is made possible by the efforts of our expert staff and we would like to thank them for their remarkable achievements over the last year.

Dividend policy

Over the previous years, the Board has followed a cautious dividend policy that embraces continuity in the absence of special dividends. It is the general intention of the Board to continue with this policy into the future.

Dividends have increased over recent years (2014: 24p; 2015: 32.6p) as profits and cash flows have increased. For the current year, the Board is pleased to announce a second interim dividend of 26p which when added to the first interim dividend of 16.5p makes a total of 42.5p for the current year.

The outstanding financial performance reported above has resulted in a significant increase in cash reserves. Our policy is to hold sufficient cash to facilitate operational and strategic agility and to ensure that any possible variation in future revenue trajectory is unlikely to impinge on our dividend policy which we know to be important for shareholders. Due to the exceptional financial performance, we have decided to distribute funds which are surplus to our strategic requirements, and accordingly, we are pleased to announce a special dividend of 20p per share.

The shares will be marked ex dividend on 27th October 2016 and both the second interim dividend and the special dividend will be paid on 11th November 2016 to shareholders on the register at close of business on 28th October 2016.

Conclusion

We are delighted to be able to report such positive news for the current year. Furthermore, we remain optimistic that further modest growth next year will come from additional vitamin D antibody sales and royalties. Beyond that, growth in the period 2017 2020 will be linked to our troponin project and the success of Siemens in their product launches around the world. We continue our research activities as we look to seed additional projects that will germinate in the period 2020 2030 creating additional shareholder value.

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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.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	2016	*2015*
	£	*£*
Turnover	**5,517,217**	*4,333,221*
Cost of sales	**(494,880)**	*(320,464)*
Gross profit	**5,022,337**	*4,012,757*
Administrative expenses	**(816,946)**	*(915,164)*
Operating profit	**4,205,391**	*3,097,593*
Interest receivable and similar income	**13,694**	*9,972*
Interest payable and expenses	**(164)**	*(1,872)*
Profit before tax	**4,218,921**	*3,105,693*
Tax on profit	**(724,493)**	*(548,227)*
Profit for the year	**3,494,428**	*2,557,466*
Other comprehensive income for the year		
Total comprehensive income for the year	**3,494,428**	*2,557,466*

Earnings per share:

Basic	69.18p	50.66p
Diluted	67.95p	49.79p

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

BALANCE SHEET AS AT 30 JUNE 2016

		2016			*2015*	
		£	**£**		*£*	*£*
Fixed assets						
Tangible assets			**467,087**			*487,804*
Investments			**43,330**			-
			510,417			*487,804*
Current assets						
Stocks		**198,933**			*192,970*	
Debtors: amounts falling due within one year		**2,685,475**			*2,090,573*	
Cash at bank and in hand		**5,380,405**			*4,130,622*	
		8,264,813			*6,414,165*	
Creditors: amounts falling due within one year		**(549,908)**			*(297,526)*	
Net current assets			**7,714,905**			*6,116,639*
Total assets less current liabilities			**8,225,322**			*6,604,443*
Provisions for liabilities						
Deferred tax		**(17,949)**			*(20,318)*	
			(17,949)			*(20,318)*
Net assets			**8,207,373**			*6,584,125*
Capital and reserves						
Called up share capital			**252,547**			*252,547*
Share premium account			**78,426**			*78,426*
Capital redemption reserve			**1,231**			*1,231*
Profit and loss account	20		**7,875,169**			*6,251,921*
			8,207,373			*6,584,125*

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Called up share capital	**Share premium**	**Capital redemption**	**Profit and loss account**	**Total equity**

		account	reserve		
	£	**£**	**£**	**£**	**£**
At 1 July 2015	**252,547**	**78,426**	**1,231**	**6,251,921**	**6,584,125**
Comprehensive income for the year					
Profit for the year	**-**	**-**	**-**	**3,494,428**	**3,494,428**
Other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**-**	**-**	**3,494,428**	**3,494,428**
Dividends: Equity capital	**-**	**-**	**-**	**(1,924,405)**	**(1,924,405)**
Share option charge	**-**	**-**	**-**	**53,225**	**53,225**
Total transactions with owners	**-**	**-**	**-**	**(1,871,180)**	**(1,871,180)**
At 30 June 2016	**252,547**	**78,426**	**1,231**	**7,875,169**	**8,207,373**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Called up share capital	**Share premium account**	**Capital redemption reserve**	**Profit and loss account**	**Total equity**
	£	**£**	**£**	**£**	**£**
At 1 July 2014	**252,210**	**57,768**	**1,231**	**4,924,955**	**5,236,164**
Comprehensive income for the year					
Profit for the year	**-**	**-**	**-**	**2,557,466**	**2,557,466**
Other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**-**	**-**	**2,557,466**	**2,557,466**
Dividends: Equity capital	**-**	**-**	**-**	**(1,281,967)**	**(1,281,967)**
Shares issued during the year	**337**	**20,658**	**-**	**-**	**20,995**
Share option charge	**-**	**-**	**-**	**51,467**	**51,467**
Total transactions with owners	**337**	**20,658**	**-**	**(1,230,500)**	**(1,209,505)**
At 30 June 2015	**252,547**	**78,426**	**1,231**	**6,251,921**	**6,584,125**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	2016	*2015*
	£	*£*
Cash flows from operating activities		

Profit for the financial year	**3,494,428**	*2,557,466*
Adjustments for:		
Depreciation of tangible assets	**41,729**	*45,522*
Loss on disposal of tangible assets	**-**	*(514)*
Interest paid	**164**	*1,872*
Interest received	**(13,694)**	*(9,972)*
Taxation	**724,493**	*548,227*
(Increase) in stocks	**(5,963)**	*(28,863)*
(Increase) in debtors	**(594,901)**	*(270,220)*
Increase in creditors	**19,559**	*20,226*
Corporation tax	**(494,039)**	*(770,127)*
Share option charge	**53,225**	*51,467*
Net cash generated from operating activities	**3,225,001**	*2,145,084*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(21,012)**	*(113,750)*
Sale of tangible fixed assets	**-**	*681*
Purchase of unlisted and other investments	**(43,330)**	-
Interest received	**13,694**	*9,972*
Net cash from investing activities	**(50,648)**	*(103,097)*
Cash flows from financing activities		
Issue of ordinary shares	**-**	*20,995*
Dividends paid	**(1,924,405)**	*(1,281,967)*
Interest paid	**(164)**	*(1,872)*
Net cash used in financing activities	**(1,924,569)**	*(1,262,844)*
Cash and cash equivalents at beginning of year	**4,130,622**	*3,351,479*
Cash and cash equivalents at the end of year	**5,380,406**	*4,130,622*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**5,380,405**	*4,130,622*
	5,380,405	*4,130,622*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

1.2 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

Direct sales are recognised at the date of dispatch.

R&D income

Subcontracted R&D income is recognised based upon the stage of completion at the year?end.

Licence revenue

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.

1.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and loss account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

The estimated useful lives range as follows:

Goodwill	?	10	years
Know how	?	10	years

1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives on the following basis:

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

1.5 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 Profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.6 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.

1.7 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.

1.8 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.

1.9 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 accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non?puttable ordinary shares.

1.10 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.

1.11 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.

1.12 Finance costs

Finance costs are charged to the Profit and loss account 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.

1.13 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.

1.14 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.

1.15 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 payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.16 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

1.17 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 Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet 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 Balance sheet.

1.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change 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 balance sheet 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 Balance sheet 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 balance sheet date.

1.19 Research and development

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

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions. These estimates and underlying assumptions are reviewed on an ongoing basis.

There are no sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

3. Turnover

An analysis of turnover by class of business is as follows:

	2016	2015
	£	*£*
Product revenue and R&D income	**1,389,061**	*1,210,887*
Royalty and licence fee income	**4,128,156**	*3,122,334*
	5,517,217	*4,333,221*

	2016	2015
	£	*£*
United Kingdom	**313,712**	*246,840*
Other EU	**1,754,400**	*1,735,902*
Rest of the world	**3,449,104**	*2,350,480*
	5,517,216	*4,333,222*

4. Operating profit

The operating profit is stated after charging:

	2016	2015
	£	*£*
Depreciation of tangible fixed assets	**41,729**	*45,522*
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	**9,240**	*10,294*
Exchange differences	**(75,512)**	*7,766*
Research and development costs written off	**713,715**	*511,821*

5. Taxation

	2016	2015
	£	*£*
Corporation tax		
Current tax on profits for the year	**726,862**	*527,095*
Adjustments in respect of previous periods	**-**	*(10,582)*
	726,862	*516,513*
Total current tax	**726,862**	*516,513*
Deferred tax		
Origination and reversal of timing differences	**(2,369)**	*31,714*
Total deferred tax	**(2,369)**	*31,714*
Taxation on profit on ordinary activities	**724,493**	*548,227*

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2015 ? lower than)* the standard rate of corporation tax in the UK of 20% *(2015: 20%)*. The differences are explained below:

	2016	2015
	£	£
Profit on ordinary activities before tax	**4,218,921**	*3,105,693*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 20%)	**843,784**	*621,139*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**10,898**	*10,356*
Capital allowances for year in excess of depreciation	**3,855**	*(14,092)*
Short term timing difference leading to an increase (decrease) in taxation	**(2,368)**	*31,714*
Other timing differences leading to an increase (decrease) in taxation	**-**	*19,068*
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	**(131,676)**	*(114,508)*
Tax deduction arising from exercise of employee options	**-**	*(5,450)*
Total tax charge for the year	**724,493**	*548,227*

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

6. Dividends

	2016	2015
	£	£
Dividends paid	**1,924,405**	*1,281,967*
	1,924,405	*1,281,967*

7. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
5,050,931 *(2015 ? 5,050,931)* Ordinary shares of £0.05 each	**252,547**	*252,547*

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

8. Share based payments

During the year the company operated an Approved Share Option Scheme (the "Option Scheme"), to incentivise employees.

The company have applied the requirements of FRS 102 Section 26 Share?based Payment to all the options granted. The Option Scheme provides for a grant price equal to the market value of the Company's shares on the date of the grant, as agreed with HMRC Shares and Assets Valuation Division.

The contractual life of an option is 10 years from the date of grant. Options granted become exercisable on the third anniversary of the date of grant. Exercise of an option is normally subject to continued employment, but there are also considerations for good leavers. All share based remuneration is settled in equity shares.

	Weighted average exercise price (pence) 2016	**Number 2016**	*Weighted average exercise price (pence) 2015*	*Number 2015*
Outstanding at the beginning of the year	**£3.66**	**87,743**	*£3.62*	*94,472*
Granted during the year	**£11.15**	**4,000**		-
Exercised during the year		**-**	*£3.12*	*(6,729)*
Outstanding at the end of the year	**£3.99**	**91,743**	*£3.66*	*87,743*

	2016	*2015*
Option pricing model used	**Black Scholes**	*Black Scholes*
Issue price	**£3.12?£11.60**	*£3.12?£6.40*
Exercise price (pence)	**£3.12?£11.60**	*£3.12?£6.40*
Option life	**10 years**	*10 years*
Expected volatility	**17.47%?33.82%**	*33.82%*
Fair value at measurement date	**£1.50?£3.08**	*£1.50?£3.08*
Risk?free interest rate	**0.84%**	*2.47%*

Expected volatility was based on past volatility since the shares have been listed on AIM.
The expense recognised for share?based payments during the year ended 30 June 2016 was £53,225 (Year ended 30 June 2015: £51,467).
The number of staff holding share options at 30 June 2016 was 11. The share options have been issued to underpin staff service conditions.

9. Earnings per share

The weighted average number of shares in issue for the basic earnings per share calculation is 5,050,931 (2015 5,048,479) and for the diluted earnings per share, assuming the exercise of all share options is 5,142,673 (2015 5,136,221).
The calculation of the basic earnings per shares is based on the profit for the period of £3,494,428 (2015 £2,557,466) divided by the weighted average number of shares in issue of 5,050,931 (2014 5,084,479), the basic earnings per share is 69.18p (2015 51.04p). The diluted earnings per share, assuming the exercise of all of the share options is based on 5,142,673 (2015 5,136,221) shares and is 67.95p (2015 50.17p).

10. Publication of Non-Statutory Accounts The financial information set out in this preliminary announcement does not constitute the Group's financial statements for the year ended 30 June 2016 and the year ended 30 June 2015. The financial statements for the year ended 30 June 2015 have been delivered to the Registrar of Companies. The financial statements for the year ended 30 June 2016 will be delivered to the Registrar of Companies following the Company's Annual General Meeting. The auditors' report on both accounts was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain statements under sections 498(2) or (3) of the Companies Act 2006. The audited financial statements of Bioventix plc for the period ended 30 June 2016 are expected to be posted to shareholders shortly, will be available to the public at the Company's registered office, 7 Romans Business Park, East Street, Farnham, Surrey, GU9 7SX and available to view on the Company's website at www.bioventix.com once posted.