

31 December 2018

Provexis plc

UNAUDITED INTERIM RESULTS FOR SIX MONTHS TO 30 SEPTEMBER 2018

Provexis plc (“**Provexis**” or the “**Company**”), the business that develops, licenses and sells the proprietary, scientifically-proven Fruitflow® heart-health functional food ingredient, announces its unaudited interim results for the six months ended 30 September 2018.

Highlights

- Total revenue for the period of £194k, 56% ahead of the prior year (2017: £124k).
- Planned launch by BY-HEALTH of a number of Fruitflow® based products in the Chinese market progressing well, with two studies successfully completed, one study currently ongoing at a clinical site and three further planned human studies confirmed by BY-HEALTH. The two completed studies (a human study and an animal study) showed excellent results in use for Fruitflow®.

The six studies outlined are being conducted at BY-HEALTH's sole expense, a substantial investment in the Fruitflow® based products which BY-HEALTH plans to launch in China. Studies conducted in China are needed to obtain 'blue cap' health claim status for dietary supplements, as required by the Chinese State Administration for Market Regulation (SAMR), with BY-HEALTH intending to make its first submission to the SAMR for Fruitflow® in February 2019.

- The MOU for a research and collaboration agreement for Fruitflow® between the Company and BY-HEALTH, a £3bn listed Chinese dietary supplement business, remains on track with the research project scheduled to take place in the first half of 2019, effectively being a seventh BY-HEALTH study.
- The Company and its commercial partner DSM have seen an encouraging increase in brand awareness and customer interest in Fruitflow® over the last three years, with the total projected annual sales value of the prospective sales pipeline for Fruitflow now standing at a substantial multiple of existing annual sales.
- Fruitflow®+ Omega-3 launched in Holland & Barrett in August 2018, with a listing in more than 660 Holland & Barrett stores across the UK and Ireland giving Fruitflow®+ Omega-3 widespread consumer exposure. Holland & Barrett's loyalty programme, Rewards for Life, has over 10 million members in the UK and it is intended that Fruitflow®+ Omega-3 will be promoted by email to Holland & Barrett's online customers.
- Further encouraging progress from the Company's Fruitflow®+ Omega-3 dietary supplement direct sales business, which sells from the Company's website www.fruitflowplus.com and Amazon UK. Further UK and international sales channel opportunities are currently being progressed.
- Planned formulation and launch of a Fruitflow®+ nitrates dietary supplement product is progressing well, with the involvement of third-party manufacturers, and interest from brand owners. Strong patent position for this formulation, with further interest in the role of Fruitflow® in exercise generated by Team Sunweb Pro Cycling's use of Fruitflow® in the 2018 Tour de France.
- The Company raised a gross £395k through a placing of new ordinary shares at 0.40p per share, completed in October 2018.
- Underlying operating loss* £154k (2017: £146k), reflecting increased patent costs in the period.
- Cash £556k at 30 September 2018 (2017: £483k), which includes £395k of funds received in advance of the share placing referred to above.

*before share based payments of £75k (2017: £43k), as set out on the face of the Consolidated Statement of Comprehensive Income

Provexis Executive Chairman Dawson Buck commented:

'The Company has seen a strong start to the 2018/19 financial year, with total revenues 56% ahead of the prior year.

The Company was pleased to confirm a retail listing in August 2018 for Fruitflow®+ Omega-3 in more than 660 Holland & Barrett stores, with further UK and international direct sales channel opportunities for the product being progressed.

The Company has developed a strong, long lasting and wide ranging patent portfolio for Fruitflow®, a wholly natural cardiovascular health product, backed by numerous published human studies for Fruitflow®.

The Company is well placed to maximise the numerous commercial opportunities which the Company and DSM have been pursuing for Fruitflow®, to include the Company's planned collaboration with BY-HEALTH in the vast Chinese market.

The Company would like to thank its customers and shareholders for their continued support, and it remains positive about the outlook for Fruitflow® and the Provexis business for the second half of the year and beyond.'

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Chairman's statement

The Company has had an active first six months of the year, seeking to enhance further the commercial prospects of its innovative, patented Fruitflow® heart-health ingredient.

The Company's Alliance partner DSM Nutritional Products ('DSM') has continued to develop the market actively for Fruitflow® in all global markets. More than 90 regional consumer healthcare brands have now been launched by direct customers of DSM, and a number of further regional brands have been launched through DSM's distributor channels.

The Company and DSM have seen an encouraging increase in brand awareness and customer interest in Fruitflow® over the last three years, with an increasing number of further commercial projects being initiated with prospective customers, including some prospective customers which are part of global businesses.

The total projected annual sales value of the prospective sales pipeline for Fruitflow now stands at a substantial multiple of existing annual sales.

Revenues for the period were £194k (2017: £124k), an increase of 56% relative to the prior year.

The increase in revenue accruing to the Company for the period reflects:

- An increase in the net income received from the Company's Alliance Agreement with DSM, which grew by 34% to £120k in the six months ended 30 September 2018 (2017: £90k);
- An increase in revenue net of sales rebates from the Company's Fruitflow®+ Omega-3 business, including Holland & Barrett, the Company's website www.fruitflowplus.com and Amazon UK, which grew by 36% year on year to £47k in the six months ended 30 September 2018, compared to £34k in the six months ended 30 September 2017.
- Amounts in excess of £26k which were received in the period for marketing support, compared to amounts of £Nil which were received in the prior year.

Underlying operating loss for the period was £154k (2017: £146k), reflecting a £38k year on year increase in research and development costs in the period.

The increase in research and development costs in the period was primarily due to Fruitflow® antihypertensive (blood pressure lowering) patents entering the national phase of the patent application process, a one-off event in this process. Patent applications typically enter the national phase approximately three years after the filing date of the initial application, with this phase representing the most significant pre-patent grant costs. Antihypertensive (blood pressure lowering) patents have now been granted for Fruitflow® in Europe, Australia, Hong Kong and New Zealand, and patent applications are being progressed in a further five major territories to include the US and China.

BY-HEALTH Co., Ltd

The Company has previously announced that it was working with DSM and BY-HEALTH Co., Ltd ('BY-HEALTH'), a £3bn listed Chinese dietary supplement business, to support the planned launch of some Fruitflow® based products in the Chinese market.

The planned launch of a number of Fruitflow® based products in the Chinese market, with potentially substantial volumes, is progressing well, with activities driven at present by the need to obtain 'blue cap' health claim status for Fruitflow® as a dietary supplement with the State Administration for Market Regulation (SAMR), a new Chinese market regulator which has taken over the responsibilities of the former China Food and Drug Administration (CFDA).

Clinical studies conducted in China are typically required to obtain blue cap health claim status, and a significant investment in six separate studies, in support of the Fruitflow® based products which BY-HEALTH plans to launch in China, is being undertaken at BY-HEALTH's expense.

Two studies have been successfully completed in China, one study is currently ongoing at a Chinese clinical site and three further planned human studies in 2019 have been confirmed by BY-HEALTH.

The two completed studies (a human study and an animal study) showed excellent results in use for Fruitflow®, and BY-HEALTH intends to make its first blue cap submission to the SAMR for Fruitflow® in February 2019, with a further blue cap submission envisaged later in 2019, both to include references to the Company's existing European Food Safety Authority ('EFSA') health claim for Fruitflow.

It was originally envisaged that a first consumer product would be launched by BY-HEALTH in the second half of 2017, but in part due to the limitations of non blue cap status it was decided to focus instead on obtaining a blue cap health claim for Fruitflow®, hence the substantial investment in the studies outlined above.

BY-HEALTH has launched a Fruitflow® sports nutrition product in China under its GymMax brand, for the exclusive use of Chinese national athletes.

In April 2017 the Company announced it had entered into a memorandum of understanding with BY-HEALTH, intended to result in a research and collaboration agreement with BY-HEALTH for Fruitflow® focussing on BY-HEALTH's research programme into the development of new products that contribute to cardiovascular health, particularly in the field of blood pressure regulation.

The proposed research and collaboration agreement is intended to include a clinical trial which will be conducted in China, and it is now intended that the Company, BY-HEALTH and a third-party Chinese research organisation will sign the research and collaboration agreement in the first half of 2019, with the bulk of the research programme to be completed in 2019. This will effectively be BY-HEALTH's seventh clinical study for Fruitflow®.

It is envisaged that the Company and BY-HEALTH will jointly provide primary funding for the research and collaboration work which will include the assessment of a number of different potential product formulations. Product formulations which are covered under the Company's existing patents would continue to be owned outright by the Company, and the Company would retain proportional joint ownership of any new product formulations developed as part of the project.

It is envisaged that the Company will provide scientific and technical support for Fruitflow® to BY-HEALTH throughout the collaboration, with further potential research projects for Fruitflow® between the Company and BY-HEALTH now under active discussion.

There are more than 230m people in China who are currently thought to have cardiovascular disease, and a significant increase in cardiovascular events is expected in China over the course of the next decade based on population aging and growth alone (source: World Health Organisation - Cardiovascular diseases, China). China is now the world's second-largest pharmaceuticals market, measured by how much patients and the state spend on drugs (source: health-care information company IQVIA). The Company believes that Fruitflow® has the potential to play an important role in the Chinese cardiovascular health market.

Fruitflow®+ Omega-3 dietary supplement product - launch in Holland & Barrett

In June 2018 the Company announced it had secured a retail listing with Holland & Barrett for the Company's Fruitflow®+ Omega-3 dietary supplement product.

Holland & Barrett is Europe's largest health and wellbeing retailer (source: www.hollandandbarrett.com/info/who-we-are), supplying its customers with a wide range of vitamins, minerals, health supplements, specialist foods and natural beauty products.

The product was launched in Holland & Barrett in August 2018, with a listing in more than 660 Holland & Barrett stores across the UK and Ireland giving Fruitflow®+ Omega-3 widespread consumer exposure.

Holland & Barrett's loyalty programme, Rewards for Life, has over 10 million members in the UK and is free for customers to join. Holland & Barrett has also recently introduced a personalised Healthbox service, providing nutritionist recommended vitamins and supplements to their customers along with health tips. Holland & Barrett's Rewards for Life programme and their new Healthbox service will facilitate more direct communications with their customers, and both are expected to provide opportunities to highlight the unique benefits of Fruitflow®+ Omega-3.

The product listing is being supported by a number of ongoing staff training, consumer marketing and promotional initiatives, to include Holland & Barrett's in-house Healthy magazine and its website www.hollandandbarrett.com.

The Company's Fruitflow®+ Omega-3 dietary supplement business is complementary to its long-term Alliance Agreement with DSM and it is supported by DSM, reflecting the continued strength of the relationship between Proxavis and DSM and the shared interest of both companies in seeking to maximise the commercial returns that can be achieved from Fruitflow®. The Company's Fruitflow®+ Omega-3 dietary supplement business is expected to provide the Company with an additional long-term income and profit stream, and all of the revenue and costs attributable to the listing with Holland & Barrett will accrue to Proxavis.

The Company had a substantial batch of Fruitflow®+ Omega-3 capsules manufactured in July 2018, and it developed some enhanced product packaging which is better suited to a retail environment.

Fruitflow®+ Omega-3 dietary supplement product - direct sales

In June 2016 the Company launched its Fruitflow®+ Omega-3 dietary supplement product, which is available through the Company's e-commerce website www.fruitflowplus.com, and from June 2017 it became available through Amazon.co.uk. The product also has a Facebook page at www.facebook.com/FruitflowPlus.

Total revenues net of sales rebates for the Company's Fruitflow®+ Omega-3 business, to include Holland & Barrett, the Company's website www.fruitflowplus.com and Amazon UK, grew by 36% year on year to £47k in the six months ended 30 September 2018, compared to £34k in the six months ended 30 September 2017. Further UK and international sales channel opportunities for Fruitflow®+ Omega-3 are currently being progressed, and the Company is actively seeking to launch the product online into wider international markets to include North America.

A dedicated product video for Fruitflow®+ Omega-3 is currently being developed and it is expected to be launched in the first quarter of 2019. A Fruitflow® App is also being developed, primarily for use on mobile device platforms.

Fruitflow®+ nitrates dietary supplement product

In December 2013 British and international patent applications were filed for the use of Fruitflow® in mitigating exercise-induced inflammation and for promoting recovery from intense exercise, seeking to enhance further the potential of the technology in the sports nutrition sector. The patent was first granted by the UK IPO (Intellectual Property Office) in May 2017, and a further patent was granted in Australia in December 2018.

Patents are being sought in Europe, the US, China and ten other territories, with potential patent protection out to December 2033.

The Company is progressing the formulation and launch of a Fruitflow®+ nitrates dietary supplement product, which will be supported by the Company's strong patent position in this area, with the involvement now of third-party manufacturers and with some interest already generated from brand owners. The product is expected to have anti-inflammatory and circulation benefits for athletes seeking to recover after exercise, properties which would also be potentially beneficial to a wide range of other consumers to include people who are less active and people who are suffering from the symptoms of basic ageing.

Further interest in the role of Fruitflow® in exercise was generated by Team Sunweb Pro Cycling's use of Fruitflow® in the 2018 Tour de France, with further details available on the Company's fruitflowplus.com website at www.fruitflowplus.com/sportrecovery and www.fruitflowplus.com/wp-content/uploads/2018/07/FF-athletes_summary-of-background-science-for-webpage_v2.pdf

Fruitflow® and Blood Pressure - Collaboration with University of Oslo

In December 2016 the Company announced that the pilot study conducted as part of the Company's collaboration agreement with the University of Oslo for blood pressure regulation indicated that a 150mg dose of Fruitflow® in powder format significantly lowered the average 24-hour systolic blood pressure compared to placebo. When the monitoring time was split into waking and sleeping periods, both systolic and diastolic blood pressure were significantly lower after 150mg Fruitflow® treatment than after placebo treatment during the waking period; systolic pressure was also significantly lower during the sleeping period.

In September 2017 the results from the blood pressure collaboration were published in the International Journal of Food Sciences and Nutrition, and the study is available to view on the Company's website at: www.provexis.org/wp-content/uploads/2017/09/IJFSN-Fruitflow-blood-pressure-study-Sep-17.pdf

Antihypertensive (blood pressure lowering) patents have now been granted for Fruitflow® in Europe, Australia, Hong Kong and New Zealand, and patent applications are being progressed in a further five major territories to include the US and China, with potential patent protection out to April 2033.

Patent application - Fruitflow® protects against adverse effects of air pollution

In December 2017 the Company announced the filing of a patent application relating to the use of Fruitflow® in protecting against the adverse effects of air pollution on the body's cardiovascular system.

Recent laboratory work has shown that Fruitflow® can reduce the platelet activation caused by airborne particulate matter, such as that from diesel emissions, by approximately one third. The beneficial effects of this reduction can be observed in laboratory models representing healthy subjects as well as in models representing subjects with an underlying cardiovascular problem.

The patent application describes 'a composition comprising a water soluble tomato extract (Fruitflow®) for use in maintaining cardiovascular health, lessening the risk of developing a cardiovascular health problem, or reducing the likelihood of worsening an existing cardiovascular health problem in a subject who is exposed, or is at risk of exposure, to particulate air pollution', and uses of Fruitflow® described in the patent application include:

- maintaining healthy platelet function in the presence of air pollution;
- maintaining a healthy blood circulation and blood flow in the presence of air pollution;
- reducing the risk of an adverse cardiovascular condition, such as atherosclerosis or thrombosis, in the presence of particulate matter air pollution;
- reducing the severity of cardiovascular diseases when exposed to particulate matter; and
- reducing the risk of cardiovascular and respiratory illness in an air polluted environment.

The World Health Organization ('WHO') estimates that in 2012 around 1 in 9 deaths were attributed to exposure to air pollution, making it the largest environmental risk factor for ill health, and with 72% of outdoor air pollution-related premature deaths being due to ischaemic heart disease and strokes.

In 2016, 91% of the world's population lived in places where air quality levels exceed WHO limits (source: World Health Organization, Ambient (outdoor) air quality and health).

The patent filing means that DSM and the Company can use this research to assist with discussions with current and potential customers. The Company expects that this patent application will have a significantly beneficial effect on the current and future commercial prospects for Fruitflow worldwide, and it extends potential patent protection for Fruitflow® out to November 2037.

Intellectual property

The Company is responsible for filing and maintaining patents and trade marks for Fruitflow® as part of the Alliance Agreement with DSM, and it is pursuing a strategy to strengthen the breadth and duration of its patent coverage to maximise the commercial returns that can be achieved from Fruitflow®. Trade marks were originally registered in the larger global territories, and new registrations are typically now sought in additional territories in response to requests from current or prospective customers for Fruitflow®.

Patent coverage for Fruitflow® includes the following patent families:

- Improved Fruitflow® / Fruit Extracts, which was granted by the European Patent Office in January 2017. The patent has been granted in six other major territories to include China, and patent applications are at a late stage of progression in a further eight global territories, with potential patent protection out to November 2029.
- Antihypertensive (blood pressure lowering) effects, as detailed above, with potential patent protection out to April 2033.
- The use of Fruitflow® with nitrates in mitigating exercise-induced inflammation and for promoting recovery from intense exercise, as detailed above, with potential patent protection out to December 2033.
- The use of Fruitflow® in protecting against the adverse effects of air pollution on the body's cardiovascular system, as detailed above, which extends potential patent protection for Fruitflow® out to November 2037.

Crohn's disease intellectual property

The Group continues to maintain the Crohn's disease intellectual property registered in Proxavis (IBD) Limited, a company which is 75% owned by Proxavis plc and 25% owned by The University of Liverpool. The Group continues to investigate further options for the Crohn's disease project, seeking to maximise its value.

People

The Company announced in July 2018 that Frédéric Boned, who was then EMEA Vice President of DSM's Human Nutrition & Health business, a part of DSM Nutritional Products, had been appointed as a Non-executive Director.

Frédéric brings a wealth of sales and marketing knowledge and expertise to the Company having held a variety of senior roles in DSM's Personal Care & Aroma Ingredients business, prior to which he worked in sales and marketing positions for over ten years at Givaudan.

Frédéric has recently been appointed North American Vice President of DSM's Human Nutrition & Health business, a welcome development for Proxavis in this important market for Fruitflow®.

The Board would like to thank the Company's small team of sales, marketing, e-commerce, PR and scientific consultants for their professionalism, enthusiasm and dedication in driving the business forward over the last

six months. The Company would also like to thank its key professional advisers for their valuable help and support.

Capital structure and funding

The Company is seeking to maximise the commercial returns that can be achieved from its Fruitflow® technology, and the Company's cost base and its resources continue to be very tightly managed. The Company remains keen to minimise dilution to shareholders and it is focussed on moving into profitability as Fruitflow® revenues increase, but while the Company remains in a loss making position it will need to raise funds to support working capital on occasions.

On 27 September 2018 the Company announced it had raised proceeds of £395,000 via the placing of 98,750,000 new ordinary shares of 0.1p each at a gross 0.40p per share with investors, with no commissions payable. The placing shares were admitted to trading on AIM on 5 October 2018.

The Group had received all of the £395,000 funds due for the placing by 30 September 2018, hence on the 30 September 2018 consolidated statement of financial position included as part of this interim report, £395,000 has been included in cash and cash equivalents, and shown as a current liability. On 5 October 2018, when the 98,750,000 placing shares were admitted to trading on AIM, the £395,000 current liability became part of capital and reserves attributable to owners of the parent company.

Outlook

The Company has seen a strong start to the 2018/19 financial year, with total revenues 56% ahead of the prior year.

The Company was pleased to confirm a retail listing in August 2018 for Fruitflow®+ Omega-3 in more than 660 Holland & Barrett stores, with further UK and international direct sales channel opportunities for the product being progressed.

The Company has developed a strong, long lasting and wide ranging patent portfolio for Fruitflow®, a wholly natural cardiovascular health product, backed by numerous published human studies for Fruitflow®.

The Company is well placed to maximise the numerous commercial opportunities which the Company and DSM have been pursuing for Fruitflow®, to include the Company's planned collaboration with BY-HEALTH in the vast Chinese market.

The Company would like to thank its customers and shareholders for their continued support, and it remains positive about the outlook for Fruitflow® and the Proveris business for the second half of the year and beyond.

Dawson Buck

Chairman

Consolidated statement of comprehensive income
Six months ended 30 September 2018

Unaudited six months ended 30 September 2018 £	Unaudited six months ended 30 September 2017 £	Audited year ended 31 March 2018 £
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Notes

Revenue	193,753	124,259	235,804
Cost of goods	(26,798)	(10,374)	(23,167)
Gross profit	166,955	113,885	212,637
Selling and distribution costs	(19,227)	(11,349)	(23,878)
Research and development costs	(114,367)	(76,285)	(181,922)
Administrative costs (including share based payment charges)	(269,690)	(221,687)	(489,777)
R&D tax relief: payable tax credit	7,730	6,660	15,015
Underlying operating loss	(153,894)	(146,040)	(361,618)
Share based payment charges	(74,705)	(42,736)	(106,307)
Loss from operations	(228,599)	(188,776)	(467,925)
Finance income	124	209	497
Loss before taxation	(228,475)	(188,567)	(467,428)
Taxation	-	-	-
Loss and total comprehensive expense for the period	(228,475)	(188,567)	(467,428)
Attributable to:			
Owners of the parent	(213,761)	(173,926)	(448,108)
Non-controlling interests	(14,714)	(14,641)	(19,320)
Loss and total comprehensive expense for the period	(228,475)	(188,567)	(467,428)
Loss per share to owners of the parent			
Basic and diluted - pence	3	(0.01)	(0.02)

Consolidated statement of financial position
30 September 2018

	Notes	Unaudited 30 September 2018 £	Unaudited 30 September 2017 £	Audited 31 March 2018 £
Assets				
Current assets				
Inventories		68,501	22,070	10,521
Trade and other receivables		108,166	92,256	64,621
Corporation tax asset		22,440	19,980	28,335
Cash and cash equivalents		161,192	482,942	315,166
Cash and cash equivalents - placing funds received prior to placing on 5 October 2018	4	395,000	-	-
Total current assets		755,299	617,248	418,643
Total assets		755,299	617,248	418,643
Liabilities				
Current liabilities				
Trade and other payables		(184,809)	(72,698)	(89,383)
Placing funds received, prior to placing on 5 October 2018	4	(395,000)	-	-
Total current liabilities		(579,809)	(72,698)	(89,383)
Net current assets		175,490	544,550	329,260
Total liabilities		(579,809)	(72,698)	(89,383)
Total net assets		175,490	544,550	329,260
Capital and reserves attributable to owners of the parent company				
Share capital		1,885,238	1,885,238	1,885,238
Share premium reserve		17,179,546	17,179,546	17,179,546
Warrant reserve		-	26,200	26,200
Merger reserve		6,599,174	6,599,174	6,599,174
Retained earnings		(25,016,646)	(24,693,179)	(24,903,790)
		647,312	996,979	786,368
Non-controlling interest		(471,822)	(452,429)	(457,108)
Total equity		175,490	544,550	329,260

Consolidated statement of cash flows
30 September 2018

	Unaudited six months ended 30 September 2018 £	Unaudited six months ended 30 September 2017 £	Audited year ended 31 March 2018 £
Cash flows from operating activities			
Loss after tax	(228,475)	(188,567)	(467,428)
Adjustments for:			
Finance income	(124)	(209)	(497)
Tax credit receivable	(7,730)	(6,660)	(15,015)
Share-based payment charge	74,705	42,736	106,307
Changes in inventories	(57,980)	10,380	21,929
Changes in trade and other receivables	(43,423)	(5,075)	22,478
Changes in trade and other payables	95,426	(60,616)	(43,931)
Net cash flow from operations	(167,601)	(208,011)	(376,157)
Tax credits received	13,625	13,105	13,105
Total cash flow from operating activities	(153,976)	(194,906)	(363,052)
Cash flow from investing activities			
Interest received	2	4	374
Total cash flow from investing activities	2	4	374
Cash flow from financing activities			
Proceeds from issue of share capital	-	665,495	665,495
Placing funds received, prior to placing on 5 October 2018	395,000	-	-
Total cash flow from financing activities	395,000	665,495	665,495
Net change in cash and cash equivalents	241,026	470,593	302,817
Opening cash and cash equivalents	315,166	12,349	12,349
Closing cash and cash equivalents	556,192	482,942	315,166

Consolidated statement of changes in equity	Share	Share	Warrant	Merger	Retained	Total equity	Non-	Total
30 September 2018	capital	premium	reserve	reserve	earnings	attributable to owners of the parent	controlling interests	equity
	£	£	£	£	£	£	£	£
At 31 March 2017	1,750,818	16,648,471	26,200	6,599,174	(24,561,989)	462,674	(437,788)	24,886
Share-based charges	-	-	-	-	42,736	42,736	-	42,736
Issue of shares - placing 16 May 2017	70,000	280,000	-	-	-	350,000	-	350,000
Issue of shares - placing 4 August 2017	64,420	251,075	-	-	-	315,495	-	315,495
Total comprehensive expense for the period	-	-	-	-	(173,926)	(173,926)	(14,641)	(188,567)
At 30 September 2017	1,885,238	17,179,546	26,200	6,599,174	(24,693,179)	996,979	(452,429)	544,550
Share-based charges	-	-	-	-	63,571	63,571	-	63,571
Total comprehensive expense for the period	-	-	-	-	(274,182)	(274,182)	(4,679)	(278,861)
At 31 March 2018	1,885,238	17,179,546	26,200	6,599,174	(24,903,790)	786,368	(457,108)	329,260
Share-based charges	-	-	-	-	74,705	74,705	-	74,705
Warrants - lapsed 10 September 2018	-	-	(26,200)	-	26,200	-	-	-
Total comprehensive expense for the period	-	-	-	-	(213,761)	(213,761)	(14,714)	(228,475)
At 30 September 2018	1,885,238	17,179,546	-	6,599,174	(25,016,646)	647,312	(471,822)	175,490

1. General information, basis of preparation and accounting policies

General information

Provexis plc is a public limited company incorporated and domiciled in the United Kingdom (registration number 05102907). The address of the registered office is 2 Blagrove Street, Reading, Berkshire RG1 1AZ, UK.

The main activities of the Group are those of developing, licensing and selling the proprietary, scientifically-proven Fruitflow® heart-health functional food ingredient.

Basis of preparation

This condensed financial information has been prepared using accounting policies consistent with International Financial Reporting Standards in the European Union (IFRS).

The same accounting policies, presentation and methods of computation are followed in this condensed financial information as are applied in the Group's latest annual audited financial statements, except as set out below. While the financial figures included in this half-yearly report have been computed in accordance with IFRS applicable to interim periods, this half-yearly report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34.

Use of non-GAAP profit measure - underlying operating profit

The directors believe that the operating loss before share based payments measure provides additional useful information for shareholders on underlying trends and performance. This measure is used for internal performance analysis. Underlying operating loss is not defined by IFRS and therefore may not be directly comparable with other companies' adjusted profit measures. It is not intended to be a substitute for, or superior to IFRS measurements of profit.

The interim financial information does not constitute statutory accounts as defined in section 434 of the Companies Act 2006 and has been neither audited nor reviewed by the Company's auditors Moore Stephens LLP pursuant to guidance issued by the Auditing Practices Board.

The results for the year ended 31 March 2018 are not statutory accounts. The statutory accounts for the last year ended 31 March 2018 were approved by the Board on 27 September 2018 and are filed at Companies House. The report of the auditors on those accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 of the Companies Act 2006.

The interim report for the six months ended 30 September 2018 can be downloaded from the Company's website www.provexis.com. Further copies of the interim report and copies of the 2018 annual report and accounts can be obtained by writing to the Company Secretary, Provexis plc, 2 Blagrove Street, Reading, Berkshire RG1 1AZ, UK.

This announcement was approved by the Board of Provexis plc for release on 31 December 2018.

Going concern

The Directors are of the opinion that at 31 December 2018, the Group and Company's liquidity and capital resources are adequate to deliver the current strategic objectives and 2018 business plan and that the Group and Company remain a going concern.

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2018, as described in those annual financial statements.

2. Segmental reporting

The Group's operating segments are determined based on the Group's internal reporting to the Chief Operating Decision Maker (CODM). The CODM has been determined to be the Chairman of the Board of Directors as he is primarily responsible for the allocation of resources to segments and the assessment of performance of the segments. The performance of operating segments is assessed on operating profit before share based payment expenses ('underlying operating loss').

The CODM uses underlying operating profit/(loss) as the key measure of the segments' results as it reflects the segments' underlying trading performance for the financial period under evaluation.

Underlying operating profit/(loss) is a consistent measure within the Group which measures the performance of the segment before share based payment charges and exceptional items.

Revenue is reported separately to the CODM and all other reports are prepared as a single business unit.

	Unaudited six months ended 30 September 2018	Unaudited six months ended 30 September 2017	Audited year ended 31 March 2018
DSM Alliance Agreement	120,381	89,761	162,486
Fruitflow+ Omega 3	46,889	34,498	73,318
Other income	26,483	-	-
	193,753	124,259	235,804

3. Earnings per share

Basic earnings per share amounts are calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

The loss attributable to equity holders of the Company for the purpose of calculating the fully diluted loss per share is identical to that used for calculating the basic loss per share. The exercise of share options would have the effect of reducing the loss per share and is therefore anti-dilutive under the terms of IAS 33 'Earnings per Share'.

Basic and diluted loss per share amounts are in respect of all activities.

There were 138,000,000 share options in issue at 30 September 2018 (2017: 151,617,620) and NIL warrants (2017: 10,000,000) in issue that are currently anti-dilutive and have therefore been excluded from the calculations of the diluted loss per share.

	Unaudited six months ended 30 September 2018	Unaudited six months ended 30 September 2017	Audited year ended 31 March 2018
Loss for the period attributable to owners of the parent - £	213,761	173,926	448,108
Weighted average number of shares	1,885,238,174	1,823,287,791	1,854,178,119
Basic and diluted loss per share - pence	0.01	0.01	0.02

On 27 September 2018 the Group announced it had raised proceeds of £395,000 via the placing of 98,750,000 new ordinary shares of 0.1p each at a gross 0.40p per share with investors, with no commissions payable. The placing shares were admitted to trading on AIM on 5 October 2018. The new shares issued would change the weighted average number of shares in issue as shown above for the period ended 30 September 2018, but they would not significantly change the resulting loss per share calculations.

4. Share capital

On 27 September 2018 the Company announced it had raised proceeds of £395,000 via the placing of 98,750,000 new ordinary shares of 0.1p each at a gross 0.40p per share with investors, with no commissions payable. The placing shares were admitted to trading on AIM on 5 October 2018.

The Group had received all of the £395,000 funds due for the placing by 30 September 2018, hence on the 30 September 2018 consolidated statement of financial position included as part of this interim report, £395,000 has been included in cash and cash equivalents, and shown as a current liability. On 5 October 2018, when the 98,750,000 placing shares were admitted to trading on AIM, the £395,000 current liability became part of capital and reserves attributable to owners of the parent company.

At 31 December 2018, the date of this announcement, the Company's issued share capital comprises 1,983,988,174 ordinary shares with voting rights. The Company does not hold any shares in treasury.

5. Cautionary statement

This document contains certain forward-looking statements with respect to the financial condition, results and operations of the business. These statements involve risk and uncertainty as they relate to events and depend on circumstances that will incur in the future. Nothing in this interim report should be construed as a profit forecast.