RNS
18th September 2018

Plant Health Care plc
(“Plant Health Care”, the “Group” and the “Company”)

INTERIM RESULTS 2018

Plant Health Care® (AIM: PHC.L), a leading provider of novel patent-protected biological products to global agriculture markets, announces its unaudited interim results for the six months ended 30 June 2018.

Financial Highlights

- The Board expects to achieve full year revenue expectations, which would represent 30% growth over 2017.
- Revenue for the six months ended 30 June 2018 was $3.0 million (2017: $3.1 million). We expect revenue in the second half to advance strongly over the comparable period last year substantially driven by the launch of Harpin $\alpha\beta$ into corn in the USA and sugarcane in Brazil.
- Gross margin improved to 60% (2017:58%).
- Following a successful fundraise of $6.7 million (net of costs) in February 2018 the Company has cash reserves of $6.2 million.
- The Board expects to reach cash positive within existing cash reserves; this plan is not reliant on income from New Technology.

Operational Highlights

- Harpin $\alpha\beta$ was launched in Brazil sugarcane in February 2018 through Coplacana under the brand name H2Copla. Grower feedback has been strong.
- Since the launch of H2Copla in February 2018, the product has generated revenue of $400k. The Company expects to generate at least as much revenue from H2Copla in the second half of 2018.
- Recently announced launch into corn in the USA brings expectation of significant sales in the second half of 2018.
- Industry partners continue to evaluate Innatus 3G, T-Rex 3G and Y-Max 3G in more than a dozen crops and in three regions around the world.

The strong growth of our Commercial business expected in 2018 as a whole, together with new launches over the next eighteen months, give the Board confidence that the Group will be cash positive in 2020. The Board expects to achieve full year market expectations for 2018.

Dr. Christopher Richards, Executive Chairman and Interim CEO, commented:

"The progress of our Commercial business in 2018 is not reflected in our first half sales, because of measures taken to reduce channel inventory in Africa. The launch into corn in the USA, together with exciting potential in sugarcane, underpin our confidence in meeting market expectations for the full year and delivering sustained growth in the medium term. We

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anticipate that the Commercial business will generate cash during 2018, thereby reducing the Group's cash burn.

"Despite the set-back in the disease management trials in Brazil, we continue to have confidence in the long term value of our PRE*tec* technology. Trials of Innatus 3G will continue in Brazil, to reinforce the yield benefit proposition and to better understand the benefit on disease management. Outside ASR in Brazil, we continue to generate positive results with PRE*tec* peptides and pursue opportunities to monetise the technology in due course."

"Over the last five years, we have built substantial assets in plant response elicitor technology, with over 40 patent applications in this area to date. Having secured a strong technical base for PRE*tec,* we are now able to reduce R&D spend without compromising our active efforts to monetise the technology. At the current projected level of spend, the Commercial business will generate sufficient cash to bring us to cash positive in 2020, within existing cash reserves."

In this document, references to "the Company" are to Plant Health Care plc. References to "Plant Health Care", "the Group", "we" or "our" are to Plant Health Care plc and its subsidiaries and lines of business, or any of them as the context may require. The Plant Health Care name and logo, Myconate, and Innatus and other names and marks appearing herein and on company literature are trademarks or trade names of Plant Health Care. All other third party trade mark rights are acknowledged.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014

Plant Health Care plc
Chris Richards - Executive Chairman and Interim CEO +1 919 926 1600
Jeffrey Hovey - Chief Financial Officer

Liberum Capital - Nomad and Broker
Clayton Bush / Chris Clarke +44 (0) 20 3100 2000

Arden Partners plc - Joint Broker
John Llewellyn-Lloyd / Dan Gee-Summons +44 (0) 20 7614 5900

IFC Advisory – Financial PR +44 (0) 20 3934 6633
Graham Herring / Miles Nolan / Zach Cohen

Company website: www.planthealthcare.com

Chairman's statement

Introduction

I am pleased to report the interim results for the six months ended 30 June 2018. Progress in developing the Commercial business has been very positive. The launch of Harpin $\alpha\beta$ into sugarcane in Brazil has been a promising start in a market of 10 million hectares. The recently announced launch into corn seed treatment, in partnership with one of the leading suppliers to US corn growers, gives us access to a 90 million acre market. These launches have the potential to deliver transformational revenue over the medium term. Further product launches are planned in the next 18 months. While sales in the first half were held back by the need to reduce inventory in Africa, orders on hand give us confidence of meeting expectations for the full year and growth over the next three to four years. We have taken steps to reduce working capital through shorter

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payment terms and more efficient supply chains, which will enhance the cash generation of the Commercial business.

In New Technology, field trials in Brazil did not confirm that Innatus 3G added substantial disease reduction benefit to current ASR control programmes. While this was clearly a disappointment, the yield benefits were encouraging and trials will continue. Progress in the evaluation of Innatus 3G in other crops and of T-Rex 3G and Y-Max 3G continue to be promising. Moreover, the progress in improved formulations and in the efficiency of production processes, has been impressive. We continue to have great confidence in the value of our PRE*tec* platforms.

Commercial Products

Our Commercial business markets our proprietary products worldwide through distributors and also distributes complementary third party products in Mexico. The Group has a portfolio of existing products, based on our proprietary Harpin $\alpha\beta$ and Myconate® technologies. Harpin-based products are now well established in certain markets. For example, Harpin $\alpha\beta$ is now used to support more than 35% of high value export vegetable production in the Northwest of Mexico, where it is a core product ensuring superior plant growth and fruiting. Our efforts are focused on extending these benefits to growers of target crops around the world and driving our market share in those crops through strong partners. The recent launch of Harpin $\alpha\beta$ into sugarcane in Brazil and the recently announced launch in corn seed treatment in the USA are examples of this approach. We plan further product launches over the next 18 months, which are aimed at driving revenue growth of Harpin $\alpha\beta$ at above 25% pa over the next three years.

During the first half of 2018, overall product sales were $3.0 million (H1 2017: $3.1 million). Constant currency sales decreased by 8%. The gross margin increased slightly to 60% compared to 58% over the same period.

Sales in the Americas increased 93%, mainly due to the introduction of Harpin $\alpha\beta$ into Brazil. Harpin αβ was launched in Brazil in February 2018 for use on sugarcane, through Coplacana, a leading cooperative. In 2018, demonstration field trials showed an average yield increase of over 20%. Initial demand from growers has been very encouraging. Since the launch of H2Copla in February 2018, the product has generated revenue of $400k. We have orders on hand for Brazilian sugarcane for the second half of 2018 and are confident sales will continue to build over the coming years.

In September 2018, we announced the launch of Harpin $\alpha\beta$ as a seed treatment product for field corn in the US. Harpin $\alpha\beta$ will be marketed and sold as a mixture product by a leading supplier to US farmers. This provides the Company access to a very large market with an excellent partner; with over 90 million acres of corn planted in 2018, this is a very important launch for future growth of Harpin $\alpha\beta$. We plan further product launches in the USA over the coming months.

Sales in Mexico increased by 21% in local currency. The prices of vegetable crops rebounded from the prior year and investment in increasing the sales force led to wider distribution; both factors contributed to the increase in revenue. Harpin $\alpha\beta$ sales increased 38% in local currency.

Sales in Europe/Africa were disappointing, decreasing by 78% (80% in constant currency). This was mainly due to slower than anticipated sales growth in Africa, which resulted in our distributor holding higher inventory than forecast. We therefore made no sales into Africa in H1 2018 in order to reduce downstream inventory. On ground sales in Africa are encouraging and we expect to resume sales in the second half. Sales in

Spain have increased 35% per annum over the last 2 years and are anticipated to progress at that rate primarily in the citrus and rice markets.

Sales by the Group in any one period will be subject to a number of seasonal and market-related factors, as well as the terms of agreements with third parties and the timing of product registrations. As a result, the Group's sales may not follow a strictly linear trend. Historically, Group sales have been heavily weighted towards the second half of the year.

New Technology

PREtec

New Technology is focused on the discovery, development and out-licensing of novel product candidates incorporating PRE*tec* peptides and genetics. The Group has built a product discovery pipeline in the field of plant response elicitors, where it has a strong portfolio of intellectual property, including many patent application submissions.

The name PRE*tec* signifies “plant response elicitor technology”. Our distinctive expertise has its roots in earlier experience with the discovery and understanding of the biological activity of harpins under the leadership of the Company’s Chief Science Officer, Dr. Zhongmin Wei.

There are now three PRE*tec* platforms under evaluation with partners, and a fourth under discussion. Each platform represents a distinctive “design space” encompassing a large range of possible peptides, whose unique structures are defined by the patent criteria. On contact with plants such peptides act as signal molecules, eliciting customisable responses that are determined by their molecular structure. By mid-2018, we had filed over 40 patent applications for these designs and their uses.

Innatus 3G, T-Rex 3G & Y-Max 3G

The first platform, introduced in late 2014, is Innatus 3G. Peptides from Innatus 3G show great potential in delivering yield improvements and in invoking disease and pest resistance in crop plants.

The second platform, introduced in 2016, is T-Rex 3G. Peptides from T-Rex 3G show the most promise in suppressing populations of nematode pests. Nematodes lower agricultural yields and render affected plants susceptible to fungal diseases and drought stress.

The third platform, also introduced in 2016, is Y-Max 3G. Peptides from Y-Max 3G have a distinctive mode of action, and elicit growth and metabolic (rather than defensive) responses in plants. This makes them useful as biostimulants to improve crop yield and harvest quality. As such, they are subject to less onerous regulatory requirements.

Innatus 3G trials in Brazilian soybeans

In 2017, the Company conducted trials of Innatus 3G which demonstrated the benefit of peptides for the control of ASR, a devastating fungal disease of soybeans in Brazil. Farmers spent US$1.7 billion on soybean fungicides in 2016 in Brazil*. ASR resistance to chemical fungicides has been a major challenge.

Based on these results, the Company conducted expanded field trials of Innatus 3G peptides in the 2017/18 Brazilian soybean crop. Four partners, which between them represent more than 80% of this fungicide market*, also carried out field trials , as did EMBRAPA, the Brazilian Ministry of Agriculture research organisation.

Unexpectedly, in the 2017/18 season, conventional chemical spray regimes delivered good control in most areas. While Innatus 3G did show disease control benefits on top of chemical fungicides, the level of improved control was not substantial. However, these trials also showed increases of 6-7% in the average yield of soybeans treated with Innatus 3G, even at low application rates. This effect was particularly evident in areas where there was less disease pressure.

In light of these developments, the Company has decided not to license rights to Innatus 3G for South American soybean this year. Soybean field trials in South America will continue. These trials will be designed to test both disease management and yield promotion benefits of Innatus 3G, exploring the promise of performance at lower rates and by applying peptide as a seed treatments. Test material will include our new formulation of Innatus 3G, fermented and formulated at pilot scale.

Innatus 3G outside Brazil; T-Rex 3G and Y-Max 3G

While the Company has focused resources on Innatus 3G in Brazil, good progress continues elsewhere.

In the first half of 2018, three of our evaluation partners reported positive results with our lead peptides in a range of more than 10 crops, uses and regions. In the latter part of the year we will be getting further results from field trials in a number of crops in Europe and the Americas, including corn, soy, fruits and vegetables, and turf.

We have received expressions of interest from further potential partners and expect to run a similar collaborative evaluation program next year.

Internally, work on the production of PRE*tec* peptides has advanced substantially. We are now achieving yields from fermentation and processing of Innatus 3G peptides well ahead of our targets, reinforcing the cost efficacy of peptides. Our laboratories have also developed a new formulation that will be easier to use than the existing experimental formulations; this has been produced at pilot scale and will increasingly be used in future trials. Meanwhile, good progress continues to be made towards product registrations in the Americas.

The Company continues to have high confidence in the medium term value of PRE*tec* and is actively pursuing opportunities to monetise it.

*Source: Phillips McDougall 2016 Market data - AgrAspire database.

Investment in Research and Development

Investment in New Technology was $2.4 million in the first half of 2018 (2017: $2.4 million). The Company intends, going forward, to focus investment in New Technology on support for the ongoing evaluation of PRE*tec* by our partners, including improved formulation development and production, and demonstration of specific value propositions. The result will be a reduction in the rate of spend from H2 2018 onwards without compromising our capability to pursue PRE*tec* technology licences.

Summary of financial results

Financial highlights for the six months ended 30 June 2018, with comparatives for the six months ended 30 June 2017, are set out below:

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	2018	2017
	$'000	$'000
Revenue	**3,011**	3,142
Gross profit	**1,806**	1,827
Research and development	**(2,442)**	(2,358)
Business development	**(258)**	(333)
Sales and marketing	**(1,880)**	(1,359)
Administrative	**(2,271)**	(687)
Total administrative expenses	**(6,851)**	(4,737)
Operating loss	**(5,045)**	(2,910)
Net finance income	**31**	44
Net loss for period	**(5,014)**	(2,866)

Revenue

Revenues for the six month period ended 30 June 2018 were $3.0 million (H1 2017: $3.1 million) producing a gross profit of $1.8 million (H1 2017: $1.8 million) and the loss before tax was $5.0 million (H1 2017: $2.9 million). The gross profit margin was 60% (H1 2017: 58%).

Operating expenses

Operating expenses increased by $2.1 million for the six month period to $6.9 million. The primary factor driving the increase was a non-cash loss in the value of Sterling loans from our UK subsidiary of $0.7 million (H1 2017: gain of $0.9 million). Cash operating expenses increased $0.4 million to $5.4 million (2017: $5.0 million) primarily due to increased Sales and Marketing costs associated with the continued expansion into the Brazilian market.

Cash position and liquidity

As of 30 June 2018, the Group had cash and investments of $6.2 million (H1 2017: $6.3 million).

The primary components of the cash movements in the first six months of 2018 was successful completion of the equity raise of $5.7 million (net of costs) in February 2018 and the sale of investments of $0.8 million (H1 2017: $1.2 million) to help fund operations and operating cash outflow of $4.8 million (H1 2017: $3.2 million).

Current trading and outlook

The Board remains confident about the medium term prospects for our New Technology and on sustained growth of Harpin $\alpha\beta$. We anticipate a strong second half of 2018 in our Commercial business, delivering strong growth in the business for the full year. The acceleration of our Commercial business is exciting and reinforces our confidence in bringing the Company to cash positive within our existing cash reserves. We anticipate that the Commercial business will generate cash during 2018, thereby reducing the Company's cash burn. We are confident that the Company will be cash positive for 2020, building to further growth over the coming years.

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It is clearly disappointing that we were not able to demonstrate greater incremental reduction of disease symptoms with Innatus 3G against ASR. The yield benefits were encouraging, however, as was the efficacy at lower application rates. We continue to believe that Innatus 3G has significant potential to add value to South American soybean growers, which we intend to test in the coming crop year.

Outside Brazil, our partners continue to generate positive results with PRE*tec* peptides. While the specific results remain confidential at this stage, some current partners are seeking to expand their evaluations and build closer relationships with Plant Health Care and we are in active discussion with new partners.

The wave of industry consolidation in the agrochemical sector continues; while this does not provide the ideal conditions for licensing our technology, we are designing our licensing approaches to accommodate these conditions as far as we can. As we progress with licensing, we will consistently seek to optimise long term shareholder value over short term considerations.

With our Commercial business on track for strong growth for the full year, we will prioritise managing our cash flow, to ensure that we can deliver both the longer term potential both of existing products and of PRE*tec*. We are highly confident about the future and our ability to deliver this plan within existing cash resources.

Dr. Christopher Richards
Chairman
17 September 2018

Consolidated statement of comprehensive income
FOR THE SIX MONTHS ENDED 30 JUNE 2018

	Note	**Six months to 30 June 2018 (Unaudited) $'000**	Six months to 30 June 2017 (Unaudited) $'000
Revenue		**3,011**	3,142
Cost of sales		**(1,205)**	(1,315)
Gross profit		**1,806**	1,827
Research and development		**(2,442)**	(2,358)
Business development		**(258)**	(333)
Sales and marketing		**(1,880)**	(1,359)
Administrative expenses		**(2,271)**	(687)
Operating loss	4	**(5,045)**	(2,910)
Finance income		**31**	45
Finance expense		**-**	(1)
Loss before tax		**(5,014)**	(2,866)
Income tax expense		**-**	-

Net loss for the period		**(5,014)**	(2,866)
Other comprehensive (loss)/income:			
Exchange difference on translation of foreign operations		**(421)**	579
Total comprehensive loss for the period		**(5,435)**	(2,287)
Basic and diluted loss per share	6	**$(0.03)**	$(0.02)

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Consolidated statement of financial position
AT 30 JUNE 2018

	Note	**30 June 2018 (Unaudited) $'000**	31 December 2017 (Audited) $'000
Assets			
Non-current assets			
Intangible assets		**1,767**	1,898
Property, plant and equipment		**874**	968
Trade and other receivables		**123**	134
Total non-current assets		**2,764**	3,000
Current assets			
Inventories		**2,897**	1,536
Trade and other receivables		**3,561**	4,668
Investments	3	**3,506**	2,719
Cash and cash equivalents		**2,649**	1,175
Total current assets		**12,613**	10,118
Total assets		**15,377**	13,118
Liabilities			
Current liabilities			
Trade and other payables		**2,677**	2,879
Borrowings		**3**	8
Total current liabilities		**2,680**	2,887
Total net assets		**12,697**	10,231
Capital and reserves attributable to owners of the Company			
Share capital		**2,586**	2,237
Share premium		**86,126**	79,786
Foreign exchange reserve		**32**	(389)
Retained earnings		**(76,047)**	(71,403)
Total equity		**12,697**	10,231

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Consolidated statement of cash flows
FOR THE SIX MONTHS ENDED 30 JUNE 2018

	Six months ended 30 June 2018 (Unaudited) $'000	Six months ended 30 June 2017 (Unaudited) $'000
Cash flows from operating activities		
Loss for the year	**(5,014)**	(2,866)
Adjustments for:		
Depreciation	**202**	192
Amortisation of intangibles	**130**	133
Share-based payment expense	**370**	329
Finance income	**(31)**	(45)
Finance expense	**-**	1
Decrease/(increase) in trade and other receivables	**1,139**	(216)
Increase in inventories	**(1,361)**	(569)
Decrease in trade and other payables	**(202)**	(114)
Net cash used in operating activities	**(4,767)**	(3,155)
Investing activities		
Purchase of property, plant and equipment	**(109)**	(76)
Finance income	**31**	45
Purchase of investments	**(2,150)**	(1,399)
Sale of investments	**1,362**	2,641
Net cash (used)/provided by investing activities	**(866)**	1,211
Financing activities		
Finance expense	**-**	(1)
Issue of ordinary share capital	**6,688**	-
Repayment of borrowings	**(4)**	(4)
Net cash provided/(used) by financing activities	**6,684**	(5)
Net (decrease)/increase in cash and cash equivalents	**1,051**	(1,949)
Effects of exchange rate changes on cash and cash equivalents	**423**	(599)
Cash and cash equivalents at beginning of period	**1,175**	4,727
Cash and cash equivalents at end of period	**2,649**	2,179

Notes to the unaudited financial information

1 General information

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Plant Health Care plc is a company incorporated and domiciled in England. The unaudited interim financial information of the Company for the six months ended 30 June 2018 comprise the Company and its subsidiaries (together referred to as the "Group").

2 Accounting policies

Basis of preparation
These interim consolidated financial statements have been prepared using accounting policies based on International Financial Reporting Standards (IFRS and IFRIC Interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 31 December 2017 Annual Report. The financial information for the half years ended 30 June 2018 and 30 June 2017 does not constitute statutory accounts within the meaning of Section 434 (3) of the Companies Act 2006 and both periods are unaudited.

The annual financial statements of Plant Health Care Plc ('the group') are prepared in accordance with IFRS as adopted by the European Union. The comparative financial information for the year ended 31 December 2017 included within this report does not constitute the full statutory Annual Report for that period. The statutory Annual Report and Financial Statements for 2017 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statements for the year ended 31 December 2017 was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under 498(2) - (3) of the Companies Act 2006.

The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2017 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2018, and will be adopted in the 2018 financial statements. New standards impacting the Group that will be adopted in the annual financial statements for the year ended 31 December 2018, and which have given rise to changes in the Group's accounting policies are:

- IFRS 9 Financial Instruments; and
- IFRS 15 Revenue from Contracts with Customers

Details of the impact of these two standards are given below. Other new and amended standards and interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to have a material impact on the Group.

IFRS 9 Financial Instruments

IFRS 9 has replaced IAS 39 Financial Instruments: Recognition and Measurement, and has had an effect on the Group in the following area:

- The impairment provision on financial assets measured at amortised cost (such as trade and other receivables) have been calculated in accordance with IFRs 9's expected credit loss model, which differs from the incurred loss model previously required by IAS 39. This has not resulted in a material change to the impairment provision at 1 January 2018

IFRS 15 Revenue from Contract with Customers

IFRS 15 has replaced IAS 18 Revenue and IAS 11 Construction Contracts as well as various Interpretations previously issued by the IFRS Interpretations Committee, noting

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the Company has adopted the modified retrospective approach. There is no material impact on any revenue stream for the Group.

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to 31 December 2018 (the date on which the company's next annual financial statements will be prepared up to) that the Group has decided not to adopt early. The most significant of these is IFRS 16 Leases (mandatorily effective for periods beginning on or after 1 January 2019).

After making enquiries, the directors have concluded that the Group has adequate resources to continue operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the half-yearly consolidated financial statements.

The Board of Directors approved this interim report on 17 September 2018

3 Investments

Investments comprise short-term investments in notes and bonds having investment grade ratings. These assets are actively managed and evaluated by key management personnel on a fair value basis in accordance with a documented investment strategy. They are carried at fair value as determined by quoted prices on active markets, with changes in fair values recognised through profit and loss.

4 Operating loss

	Six months to 30 June 2018 (unaudited) $'000	Six months to 30 June 2017 (unaudited) $'000
Operating loss is stated after charging:		
Depreciation	**202**	192
Amortisation	**130**	133
Share-based payment expense	**370**	329

5 Segment information

The Group views, manages and operates its business according to geographical segments. Revenue is generated from the sale of agricultural products across all geographies.

Six months to 30 June 2018 (unaudited)

	Americas $'000	*Mexico $'000*	*Rest of World $'000*	*Elimination $'000*	*Total Commercial $'000*	*New Technology $'000*	*Total $'000*
Revenue*							
Proprietary product sales	703	230	826	-	1,759	-	1,759
Third-party product sales	48	1,204	-	-	1,252	-	1,252
Inter-segmental product sales	501	-	68	(569)	-	-	-
Total revenue	1,252	1,434	894	(569)	3,011	-	3,011
Group consolidated revenue	1,252	1,434	894	(569)	3,011	-	3,011
Cost of sales	(710)	(709)	(355)	569	(1,205)	-	(1,205)

Research and development	-	-	-	-	-	(2,135)	(2,135)
Business development	(235)	-	-	-	(235)	(23)	(258)
Sales and marketing	(801)	(365)	(714)	-	(1,880)	-	(1,880)
Administration	(309)	(126)	(81)	-	(516)	(106)	(622)
Non-cash expenses:							
Depreciation	(14)	(27)	(3)	-	(44)	(158)	(202)
Amortisation	(127)	-	(3)	-	(130)	-	(130)
Share-based payment	(6)	-	(13)	-	(19)	(215)	(234)
Segment operating (loss)/profit	(950)	207	(275)	-	(1,018)	(2,637)	(3,655)
Corporate expenses **							
Wages and professional fees							(660)
Administration ***							(730)
Operating loss							(5,045)
Finance income							31
Finance expense							-
Loss before tax							(5,014)

* Revenue from one customer within the Americas segment totalled $400,000 or 13% of Group revenues. Revenue from one customer within the Mexico segment totalled $410,000 or 13% of Group revenues.

** These amounts represent public company expenses for which there is no reasonable basis by which to allocate the amounts across the Group's segments.

*** Includes net share-based payments expense of $136,000 attributed to corporate employees who are not affiliated with any of the Commercial or New technology segments. Includes $0.7 million foreign exchange losses in non-US dollar denominated inter-company funding.

Six months to 30 June 2017 (unaudited)

	Americas *$'000*	*Mexico* *$'000*	*Rest of World* *$'000*	*Elimination* *$'000*	*Total Commercial* *$'000*	*New Technology* *$'000*	*Total* *$'000*
Revenue*							
Proprietary product sales	357	166	1,597	-	2,120	-	2,120
Third-party product sales	21	997	4	-	1,022	-	1,022
Inter-segmental product sales	793	-	83	(876)	-	-	-
Total revenue	1,171	1,163	1,684	(876)	3,142	-	3,142
Group consolidated revenue	1,171	1,163	1,684	(876)	3,142	-	3,142
Cost of sales	(890)	(621)	(680)	876	(1,315)	-	(1,315)
Research and development	-	-	-	-	-	(2,050)	(2,050)
Business development	(292)	-	-	-	(292)	(41)	(333)
Sales and marketing	(557)	(318)	(484)	-	(1,359)	-	(1,359)
Administration	(391)	(171)	(23)	-	(585)	(107)	(692)
Non-cash expenses:							
Depreciation	(15)	(27)	(3)	-	(45)	(147)	(192)
Amortisation	(127)	-	(6)	-	(133)	-	(133)
Share-based payment	(28)	(2)	(8)	-	(38)	(234)	(272)
Segment operating (loss)/profit	(1,129)	24	480	-	(625)	(2,579)	(3,204)
Corporate expenses **							
Wages and professional fees							(489)
Administration ***							783
Operating loss							(2,910)
Finance income							45

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Finance expense	(1)
Loss before tax	(2,866)

* Revenue from one customer within the Rest of World segment totalled $705,000 or 22% of Group revenues.

** These amounts represent public company expenses for which there is no reasonable basis by which to allocate the amounts across the Group's segments.

*** Includes net share-based payments expense of $57,000 attributed to corporate employees who are not affiliated with any of the Commercial or New technology segments. Includes $0.9 million foreign exchange gain in non-US dollar denominated inter-company funding.

6 Loss per share

Basic loss per ordinary share has been calculated on the basis of the loss for the period of $5,014,000 (loss for the six months ended 30 June 2017: $2,866,000) and the weighted average number of shares in issue during the period of 164,906,214 (six months ended 30 June 2017: 147,822,881).

The weighted average number of shares used in the above calculation is the same as for total basic loss per ordinary share. Instruments that could potentially dilute basic earnings per share in the future have been considered, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the periods presented. This is due to the Group incurring losses on continuing operations for the period.

7 Cautionary statement

This document contains certain forward-looking statements relating to Plant health Care plc ('the Group'). The Group considers any statements that are not historical facts as "forward-looking statements". They relate to events and trends that are subject to risk and uncertainty that may cause actual results and the financial performance of the Group to differ materially from those contained in any forward-looking statement. These statements are made by the directors in good faith based on information available to them and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

Copies of this report and all other announcements made by Plant Health Care plc are available on the Company's website at www.planthealthcare.com/for-investors.

PLANT HEALTH CARE

Plant Health Care plc

2626 Glenwood Avenue, Suite 350
Raleigh, NC 27608 USA

+1 (919) 926 1600

ir@planthealthcare.com

www.planthealthcare.com/for-investors