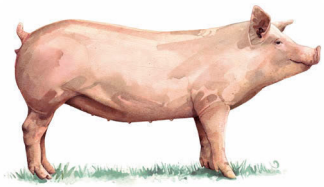
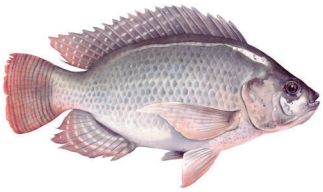
Anpario

Nature's Answer

# Anpario plc
# Interim Report 2018



**5 September 2018**

**Anpario plc (AIM: ANP)**
**("Anpario" or "the Company")**

Anpario plc, the international producer and distributor of natural animal feed additives for animal health, nutrition and biosecurity announces its interim results for the six months to 30 June 2018.

**Financial highlights**

Sales of £14.8m (2017: £14.8m), excluding currency movements increased by 5%[1]
19% advance in profit before tax to £2.2m (2017: £1.9m)
14% uplift in diluted earnings per share to 8.7p (2017: 7.6p)
2% improvement in adjusted ebitda[2] to £2.7m (2017: £2.6m)
10% increase in interim dividend of 2.2p per share (2017: 2.0p)
Cash balances of £12.6m at 30 June 2018 (31 December 2017: £13.6m)

**Operational highlights**

Strong sales growth in UK, Europe, China and US markets.
In line with business development strategy:
- Continued investment in routes to market and product development
- New range of feed security products and Omega 3 supplement launched.
- Renewed focus on Latin American aquaculture market delivering benefits.

Peter Lawrence, Chairman, commented:

"Our business development strategy will progressively improve sales and distribution, while control of costs will ensure that they do not move ahead of the growth we achieve. Our strong balance sheet and consistent cash generation provide Anpario with a sound platform from which to make selective earnings enhancing acquisitions and to further invest in new product development for the future. With a favourable foreign exchange environment more likely in the second half year, I look forward to reporting good progress from the above initiatives early next year."

**Chairman's statement**

Anpario has delivered another sound performance in the six months to 30 June 2018 and made further good progress in its main markets.

The focus on end users and working closely with major partner distributors has helped to increase the proportion of direct business and this has contributed to a further increase in underlying[1] gross margins. The transformation of our sales and distribution channels is still the key focus, with continued investment in regional commercial teams and product development, while managing costs in line with profit growth.

Anpario's consistent cash generation means the Board is pleased to increase the interim dividend by 10% to 2.2p per ordinary share payable on 30 November 2018 to shareholders on the register at close of business on 16 November 2018.

**Financial review**

Anpario trades in international markets and currency fluctuations are a normal part of its business. We hedge our currency risk as effectively as we can without taking speculative positions. Compared with the prior year, the period under review saw sterling strengthening against the US dollar and that has impacted our reported results but not our underlying performance which has improved.

Sales in the first half were unchanged at £14.8m (2017: £14.8m) and gross profit was lower at £7.0m (2017: £7.3m). If foreign exchange movements are stripped out, sales and gross profit growth would have been 5% and 6% respectively. The gross margin was 47.3% (2017: 49.1%), however the underlying[1] result was an increase to 50.0%. This underlying[1] increase reflects the continuation of the margin growth seen in recent years through higher sales volumes directly to end users.

Despite the strategic enhancements made in sales and product development, administrative expenses fell in the period by 7% to £4.8m (2017: £5.1m). Foreign exchange gains, included in administrative expenses, were £0.2m in the period compared to losses of £0.4m in 2017.

Adjusted EBITDA[2] was ahead by 2% at £2.7m (2017: £2.6m). Profit after tax grew by 18% to £1.9m (2017: £1.6m), there were no exceptional costs during the period (2017: £0.3m).

Basic earnings per share increased by 17% to 9.16p (2017: 7.80p) and diluted earnings per share grew by 14% to 8.66p (2017: 7.62p).

Investment in stock levels at subsidiary locations to support direct sales has increased working capital requirements, the balance sheet remains strong and debt free, cash at the period end was £12.6m (31 December 2017: £13.6m).

**Operations**

Our operations in the UK and Europe delivered an excellent result with sales growth of 14% compared with the same period

last year. The recovery in milk prices helped strengthen demand for Ultrabond and we achieved good sales growth of Optomega Plus, which is our sustainable Omega 3 supplement and helps improve fertility in dairy cows and is also used for enrichment of eggs. Optomega Plus will play an increasingly important role for both these applications in the UK and elsewhere.

Orego-Stim® continued to grow its share of the UK market with a number of veterinary organisations recommending it and leading poultry integrators incorporating its use in their production processes. We are working with industry specialists, offering turnkey solutions for the egg laying industry, and have delivered significant benefits to farmers, who are keen to maximise the profitability of their egg laying stock.

The United States increased sales by 8%, an encouraging result as we continue to penetrate this major market. Orego-Stim® is now being used by a number of poultry integrators for various applications, including anti-biotic free bird production. It is being evaluated by more poultry and swine customers and veterinary organisations. Our product ranges continue to make progress in the US and we launched Anpro Advance, a superior next generation toxin binder, at the World Pork Exhibition in Des Moines, Iowa in June.

China achieved a 7% increase in sales and continued to focus on Meriden-Stim and our toxin binder range. This result is particularly commendable as pig prices dropped significantly in the first half of the year, partly as a result of over rapid expansion by producers. While progress in China will be affected in the short term by this market contraction, we are already seeing encouraging signs of improvement. In March China's Appeal Court ruled that Anpario is the rightful owner of the Orego-Stim® trademark in China. This is a very important and pleasing conclusion to a lengthy legal battle with a competitor and will help build sales of Orego-Stim®

A strong performance in Australia helped that region increase sales by 84%. There are a number of local initiatives underway to expand our market share across all species including the pet sector.

In Asia, sales declined by £0.5m, this was mainly attributable to our decision to terminate non-core and low margin product sales to the Philippines. Malaysia and South Korea continue to perform strongly and we expect more progress later this year in Thailand, Indonesia and the Philippines. Our local sales teams are working with some large end users in the region where, having overcome some product registrations issues, we are encouraged by the opportunities.

Latin America experienced a disappointing first half. Sales were affected by the economic situation and the strengthening of the US dollar against local currencies, particularly in Brazil, Mexico and Argentina. Despite these challenges, sales of Orego-Stim® have been increasing in both the poultry and dairy markets in Brazil. We also achieved our first sales, and started trials with a number of our products, in the aquaculture markets of Ecuador and Brazil. We appointed new distributors in Chile and Peru last year and this has temporarily affected sales as a consequence we have had to re-register a number of products. Business has now started to move ahead with recent orders received and shipped.

Despite continued geopolitical events in the region and an outbreak of avian influenza, our Middle East sales declined by a modest 2%. There were successes selling Salkil, our salmonella inhibitor, direct to end users in Turkey. The introduction of more products from our range should help drive growth in this volatile region.

**Innovation and development**

As anti-biotic free meat production grows, vaccines and natural feed additives will play an increasingly important role in supporting the effort to reduce drug use. Through extensive trial work, Orego-Stim® has already proved its value in coccidial immunity in poultry following vaccination. Further research has started to demonstrate its compatibility with salmonella vaccination in poultry.

Feedback from UK dairy farmers using Optomega Plus, our new Omega 3 product, for fertility, has been very positive. It is also used as a supplement in the egg laying industry to enrich eggs in Omega 3 for human consumption.

This research and development programme is just a small part of the work our technical team is undertaking in order to support the intellectual property inherent in our products.

**Outlook**

Our business development strategy will progressively improve sales and distribution, while control of costs will ensure that they do not move ahead of the growth we achieve. Our strong balance sheet and consistent cash generation provide Anpario with a sound platform from which to make selective earnings enhancing acquisitions and to further invest in new product development for the future. With a favourable foreign exchange environment more likely in the second half year, I look forward to reporting good progress from the above initiatives early next year.

**Peter Lawrence**
Chairman
5 September 2018

1. *Underlying growth represents the results for the period adjusted for CER and excluding foreign exchange variances. Constant exchange rates ("CER") growth is calculated by applying the applicable prior period average exchange rates to the Company's actual performance in the respective period.*
2. *Adjusted EBITDA represents operating profit £2.206m (2017: £1.860m) adjusted for: share based payments £0.112m (2017: £0.161m); depreciation, amortisation and impairment charges of £0.378m (2017: £0.347m) and closure and restructuring costs £nil (2017: £0.269m).*

**Unaudited consolidated income statement**
for the six months ended 30 June 2018

| | Notes | six months to 30/06/2018 £000 | six months to 30/06/2017 £000 | year ended 31/12/2017 £000 |
|---|---|---|---|---|
| **Revenue** | 3 | **14,773** | **14,803** | **29,241** |
| Cost of sales | | (7,779) | (7,528) | (14,895) |
| **Gross profit** | | **6,994** | **7,275** | **14,346** |
| Administrative expenses | | (4,788) | (5,146) | (10,358) |
| Exceptional items | | - | (269) | (627) |
| **Operating profit** | | **2,206** | **1,860** | **3,361** |
| Finance income | | 35 | 17 | 42 |
| **Profit before income tax** | | **2,241** | **1,877** | **3,403** |
| Income tax expense | | (366) | (292) | (418) |
| **Profit for the period** | | **1,875** | **1,585** | **2,985** |
| Profit attributable to: | | | | |
| Owners of the parent | | 1,874 | 1,584 | 2,985 |
| Non-controlling interests | | 1 | 1 | - |
| **Profit for the period** | | **1,875** | **1,585** | **2,985** |
| | | | | |
| Basic earnings per share | 4 | 9.16p | 7.80p | 14.66p |
| Diluted earnings per share | 4 | 8.66p | 7.62p | 14.17p |
| | | | | |
| Adjusted earnings per share | 4 | 9.16p | 9.13p | 16.74p |
| Diluted adjusted earnings per share | 4 | 8.66p | 8.92p | 16.17p |

**Unaudited consolidated statement of comprehensive income**
for the six months ended 30 June 2018

| | six months to 30/06/2018 £000 | six months to 30/06/2017 £000 | year ended 31/12/2017 £000 |
|---|---|---|---|
| **Profit for the period** | **1,875** | **1,585** | **2,985** |
| Items that may be subsequently reclassified to profit or loss: | | | |
| Exchange difference on translating foreign operations | 76 | 54 | 109 |
| Cashflow hedge movements (net of deferred tax) | (107) | | 162 |
| **Total comprehensive income for the period** | **1,844** | **1,639** | **3,256** |
| | | | |
| Attributable to the owners of the parent: | 1,843 | 1,638 | 3,256 |
| Non-controlling interests | 1 | 1 | - |
| **Total comprehensive income for the period** | **1,844** | **1,639** | **3,256** |

**Unaudited consolidated statement of financial position**
as at 30 June 2018

| | Notes | **as at 30/06/2018 £000** | as at 30/06/2017 £000 | as at 31/12/2017 £000 |
|---|---|---|---|---|
| Intangible assets | 5 | **10,954** | 10,851 | 10,820 |
| Property, plant and equipment | 6 | **3,319** | 3,442 | 3,347 |
| Deferred tax assets | | **451** | 338 | 447 |
| **Non-current assets** | | **14,724** | 14,631 | 14,614 |
| Inventories | | **3,852** | 2,315 | 3,088 |
| Trade and other receivables | | **6,821** | 6,921 | 5,720 |
| Derivative financial instruments | | **76** | - | 220 |
| Cash and cash equivalents | | **12,647** | 12,611 | 13,559 |
| **Current assets** | | **23,396** | 21,847 | 22,587 |
| **Total assets** | | **38,120** | 36,478 | 37,201 |
| Called up share capital | | **5,357** | 5,292 | 5,350 |
| Share premium | | **10,397** | 9,518 | 10,330 |
| Other reserves | | **(5,346)** | (4,801) | (5,406) |
| Retained earnings | | **22,123** | 20,428 | 20,248 |
| Equity attributable to owners of the parent company | | **32,531** | 30,437 | 30,522 |
| Non-controlling interest | | **(1)** | (1) | - |
| **Total equity** | | **32,530** | 30,436 | 30,522 |
| Deferred tax liabilities | | **1,045** | 974 | 1,044 |
| **Non-current liabilities** | | **1,045** | 974 | 1,044 |
| Trade and other payables | | **4,149** | 4,602 | 5,348 |
| Current income tax liabilities | | **396** | 466 | 287 |
| **Current liabilities** | | **4,545** | 5,068 | 5,635 |
| **Total liabilities** | | **5,590** | 6,042 | 6,679 |
| **Total equity and liabilities** | | **38,120** | 36,478 | 37,201 |

**Unaudited consolidated statement of changes in equity**
for the six months ended 30 June 2018

| | Called up share capital £000 | Share premium £000 | Other reserves £000 | Retained earnings £000 | Non-controlling interest £000 | Total equity £000 |
|---|---|---|---|---|---|---|
| **Balance at 1 January 2017** | **5,291** | **9,515** | **(5,112)** | **18,843** | **-** | **28,537** |
| Profit for the period | - | - | - | 1,585 | (1) | 1,584 |
| Currency translation differences | - | - | 54 | - | - | 54 |
| Cash flow hedge reserve | - | - | 123 | - | - | 123 |
| Total comprehensive income for the period | - | - | 177 | 1,585 | (1) | 1,761 |
| Issue of share capital | 1 | 3 | - | - | - | 4 |
| Share-based payment adjustments | - | - | 134 | - | - | 134 |
| Transactions with owners | 1 | 3 | 134 | - | - | 138 |
| **Balance at 30 June 2017** | **5,292** | **9,518** | **(4,801)** | **20,428** | **(1)** | **30,436** |
| Profit for the period | - | - | - | 1,400 | 1 | 1,401 |
| Currency translation differences | - | - | 55 | - | - | 55 |
| Cash flow hedge reserve | - | - | 39 | - | - | 39 |
| Total comprehensive income for the period | - | - | 94 | 1,400 | 1 | 1,495 |
| Issue of share capital | 58 | 812 | - | - | - | 870 |
| Deferred tax regarding share–based payments | - | - | 71 | - | - | 71 |
| Joint share ownership plan | - | - | (825) | - | - | (825) |
| Share-based payment adjustments | - | - | 55 | - | - | 55 |
| Dividends relating to 2016 | - | - | - | (1,580) | - | (1,580) |
| Transactions with owners | 58 | 812 | (699) | (1,580) | - | (1,409) |
| **Balance at 31 December 2017** | **5,350** | **10,330** | **(5,406)** | **20,248** | **-** | **30,522** |
| Profit for the period | - | - | - | 1,875 | (1) | 1,874 |
| Currency translation differences | - | - | 76 | - | - | 76 |
| Cash flow hedge reserve | - | - | (107) | - | - | (107) |
| Total comprehensive income for the period | - | - | (31) | 1,875 | (1) | 1,843 |
| Issue of share capital | 7 | 67 | - | - | - | 74 |
| Share-based payment adjustments | - | - | 91 | - | - | 91 |
| Transactions with owners | 7 | 67 | 91 | - | - | 165 |
| **Balance at 30 June 2018** | **5,357** | **10,397** | **(5,346)** | **22,123** | **(1)** | **32,530** |

**Unaudited consolidated statement of cash flows**
for the six months ended 30 June 2018

| | **six months to 30/06/2018 £000** | six months to 30/06/2017 £000 | year ended 31/12/2017 £000 |
|---|---|---|---|
| **Cash generated from operating activities** | **(229)** | 2,448 | 5,583 |
| Income tax paid | **(257)** | (73) | (349) |
| **Net cash generated from operating activities** | **(486)** | 2,375 | 5,234 |
| Investment in subsidiary | **-** | (514) | (514) |
| Purchases of property, plant and equipment | **(130)** | (69) | (151) |
| Proceeds from disposal of property, plant and equipment | **-** | 1 | 44 |
| Payments to acquire intangible assets | **(354)** | (298) | (624) |
| Interest received | **35** | 17 | 42 |
| **Net cash used in investing activities** | **(449)** | (863) | (1,203) |
| Joint share ownership plan | **-** | - | (825) |
| Proceeds from issuance of shares | **74** | 4 | 874 |
| Dividend paid to Company's shareholders | **-** | - | (1,580) |
| **Net cash used in financing activities** | **74** | 4 | (1,531) |
| Net increase in cash and cash equivalents | **(861)** | 1,516 | 2,500 |
| Effect of exchange rate changes | **(51)** | (17) | (53) |
| Cash and cash equivalents at the beginning of the period | **13,559** | 11,112 | 11,112 |
| **Cash and cash equivalents at the end of the period** | **12,647** | 12,611 | 13,559 |

| | **six months to 30/06/2018 £000** | six months to 30/06/2017 £000 | year ended 31/12/2017 £000 |
|---|---|---|---|
| **Cash generated from operating activities** | | | |
| Profit before income tax | **2,241** | 1,877 | 3,403 |
| Net finance income | **(35)** | (17) | (42) |
| Depreciation, amortisation and impairment | **378** | 348 | 825 |
| (Profit)/Loss on disposal of property, plant and equipment | **-** | 7 | 19 |
| Share-based payments | **91** | 134 | 189 |
| Fair value adjustment to derivatives | **37** | - | (44) |
| Changes in working capital: | | | |
| Inventories | **(783)** | (38) | (855) |
| Trade and other receivables | **(1,130)** | (212) | 965 |
| Trade and other payables | **(1,028)** | 349 | 1,123 |
| **Net cash generated from operating activities** | **(229)** | 2,448 | 5,583 |

**Notes to the financial statements**
for the six months ended 30 June 2018

## 1. General information

Anpario plc ("the Company") and its subsidiaries (together "the Group") manufacture and supply high performance natural feed additives for the agricultural market with products to improve the health and output of animals.

The Company is traded on the London Stock Exchange AIM market and is incorporated and domiciled in the UK. The address of the registered office is Manton Wood Enterprise Park, Worksop, Nottinghamshire, S80 2RS.

## 2. Basis of preparation

The consolidated financial statements comprise the accounts of the Company and its subsidiaries drawn up to 30 June 2018.

The Group has presented its financial statements in accordance with International Reporting Standards ("IFRS's"), as endorsed by the European Union, IFRS IC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. Full details on the basis of the accounting policies used are set out in the Group's financial statements for the year ended 31 December 2017, which are available on the Company's website at www.anpario.com.

This condensed consolidated interim financial information does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2017 were approved by the Board of Directors on 7 March 2018 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 (2) or (3) of the Companies Act 2006.

The consolidated interim financial information for the period ended 30 June 2018 is neither audited nor reviewed.

## 3. Segment information

Management has determined the operating segments based on the reports reviewed by the Board that are used to make strategic decisions. The Board considers the business from a geographic perspective. Management considers adjusted EBITDA to assess the performance of the operating segments, which comprises profit before interest, tax, depreciation and amortisation adjusted for share-based payments and exceptional items.

| | **Americas** | **Asia** | **Europe** | **MEA** | **Head Office** | **Total** |
|---|---|---|---|---|---|---|
| | **£000** | **£000** | **£000** | **£000** | **£000** | **£000** |
| **for the six months ended 30 June 2018** | | | | | | |
| **Total segmental revenue** | **2,678** | **6,401** | **6,366** | **2,068** | **-** | **17,513** |
| **Inter-segment revenue** | **-** | **-** | **(2,740)** | **-** | **-** | **(2,740)** |
| **Revenue from external customers** | **2,678** | **6,401** | **3,626** | **2,068** | **-** | **14,773** |
| | | | | | | |
| **Adjusted EBITDA** | **568** | **2,118** | **1,410** | **645** | **(2,045)** | **2,696** |
| **Depreciation and amortisation** | **(4)** | **(6)** | **-** | **-** | **(368)** | **(378)** |
| **Net finance income** | **-** | **-** | **-** | **1** | **34** | **35** |
| **Share-based payments** | **-** | **-** | **-** | **-** | **(112)** | **(112)** |
| **Profit before income tax** | **564** | **2,112** | **1,410** | **646** | **(2,491)** | **2,241** |
| **Income tax** | **-** | **-** | **-** | **-** | **(366)** | **(366)** |
| **Profit for the period** | **564** | **2,112** | **1,410** | **646** | **(2,857)** | **1,875** |
| | | | | | | |
| **Total assets** | | | | | **38,120** | **38,120** |
| **Total liabilities** | | | | | **(5,590)** | **(5,590)** |

| | Americas | Asia | Europe | MEA | Head Office | Total |
|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| for the six months ended 30 June 2017 | | | | | | |
| Total segmental revenue | 2,859 | 6,588 | 5,124 | 2,136 | - | 16,707 |
| Inter-segment revenue | - | - | (1,904) | - | - | (1,904) |
| Revenue from external customers | 2,859 | 6,588 | 3,220 | 2,136 | - | 14,803 |
| | | | | | | |
| Adjusted EBITDA | 994 | 2,057 | 1,217 | 833 | (2,464) | 2,637 |
| Depreciation and amortisation | (7) | (4) | - | - | (336) | (347) |
| Net finance income | 1 | - | - | 1 | 15 | 17 |
| Share-based payments | - | - | - | - | (161) | (161) |
| Exceptional items | - | (165) | - | (19) | (85) | (269) |
| Profit before income tax | 988 | 1,888 | 1,217 | 815 | (3,031) | 1,877 |
| Income tax | 31 | 8 | - | (1) | (330) | (292) |
| Profit for the period | 1,019 | 1,896 | 1,217 | 814 | (3,361) | 1,585 |
| | | | | | | |
| Total assets | | | | | 36,478 | 36,478 |
| Total liabilities | | | | | (6,042) | (6,042) |

| | Americas | Asia | Europe | MEA | Head Office | Total |
|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| for the year ended 31 Dec 2017 | | | | | | |
| Total segmental revenue | 6,013 | 12,461 | 10,967 | 3,984 | - | 33,425 |
| Inter-segment revenue | - | - | (4,184) | - | - | (4,184) |
| Revenue from external customers | 6,013 | 12,461 | 6,783 | 3,984 | - | 29,241 |
| | | | | | | |
| Adjusted EBITDA | 1,818 | 3,775 | 2,641 | 1,528 | (4,690) | 5,072 |
| Depreciation and amortisation | (13) | (10) | - | - | (802) | (825) |
| Net finance (income)/expense | 1 | 1 | - | 2 | 38 | 42 |
| Share-based payments | - | - | - | - | (259) | (259) |
| Exceptional items | (36) | (254) | (3) | (42) | (292) | (627) |
| Profit before income tax | 1,770 | 3,512 | 2,638 | 1,488 | (6,005) | 3,403 |
| Income tax | 17 | (31) | - | (1) | (403) | (418) |
| Profit for the year | 1,787 | 3,481 | 2,638 | 1,487 | (6,408) | 2,985 |
| | | | | | | |
| Total assets | | | | | 37,201 | 37,201 |
| Total liabilities | | | | | (6,679) | (6,679) |

## 4. Earnings per share

| | **six months to 30/06/2018** | six months to 30/06/2017 | year ended 31/12/2017 |
|---|---|---|---|
| **Weighted average number of shares in Issue (000's)** | **20,472** | 20,313 | 20,361 |
| Adjusted for effects of dilutive potential Ordinary shares (000's) | **1,183** | 473 | 709 |
| **Weighted average number for diluted earnings per share (000's)** | **21,655** | 20,786 | 21,070 |
| | | | |
| **Profit attributable to owners of the Parent (£000's)** | **1,875** | 1,585 | 2,985 |
| | | | |
| **Basic earnings per share** | **9.16p** | 7.80p | 14.66p |
| **Diluted earnings per share** | **8.66p** | 7.62p | 14.17p |

| | **six months to 30/06/2018 £000** | six months to 30/06/2017 £000 | year ended 31/12/2017 £000 |
|---|---|---|---|
| Adjusted profit attributable to owners of the Parent | | | |
| Profit attributable to owners of the Parent | **1,875** | 1,585 | 2,985 |
| Exceptional items (net of tax) | **-** | 269 | 544 |
| Prior year tax adjustments | **-** | - | (121) |
| **Adjusted profit attributable to owners of the Parent** | **1,875** | 1,854 | 3,408 |
| | | | |
| **Adjusted earnings per share** | **9.16p** | 9.13p | 16.74p |
| **Diluted adjusted earnings per share** | **8.66p** | 8.92p | 16.17p |

## 5. Intangible assets

| | **Goodwill** £000 | **Brands** £000 | **Customer relationships** £000 | **Patents, trademarks and registrations** £000 | **Development costs** £000 | **Software and Licences** £000 | **Total** £000 |
|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | |
| As at 1 January 2018 | 5,960 | 2,768 | 786 | 1,346 | 2,447 | 589 | 13,896 |
| Additions | - | - | - | 159 | 158 | 37 | 354 |
| Foreign exchange | - | - | - | (1) | - | - | (1) |
| **As at 30 June 2018** | **5,960** | **2,768** | **786** | **1,504** | **2,605** | **626** | **14,249** |
| | | | | | | | |
| **Accumulated amortisation/impairment** | | | | | | | |
| As at 1 January 2018 | - | 310 | 443 | 395 | 1,758 | 170 | 3,076 |
| Charge for the period | - | 42 | 40 | 100 | - | 37 | 219 |
| **As at 30 June 2018** | **-** | **352** | **483** | **495** | **1,758** | **207** | **3,295** |
| | | | | | | | |
| **Net book value** | | | | | | | |
| **As at 30 June 2018** | **5,960** | **2,416** | **303** | **1,009** | **847** | **419** | **10,954** |
| As at 1 January 2018 | 5,960 | 2,458 | 343 | 951 | 689 | 419 | 10,820 |

## 6. Tangible assets

| | Land and buildings | Plant and machinery | Fixtures, fittings and equipment | Total |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| **Cost** | | | | |
| As at 1 January 2018 | 2,181 | 2,088 | 430 | 4,699 |
| Additions | - | 97 | 33 | 130 |
| Foreign exchange | - | 1 | - | 1 |
| **As at 30 June 2018** | **2,181** | **2,186** | **463** | **4,830** |
| | | | | |
| **Accumulated depreciation** | | | | |
| As at 1 January 2018 | 308 | 776 | 268 | 1,352 |
| Charge for the period | 16 | 108 | 35 | 159 |
| **As at 30 June 2018** | **324** | **884** | **303** | **1,511** |
| | | | | |
| **Net book value** | | | | |
| **As at 30 June 2018** | **1,857** | **1,302** | **160** | **3,319** |
| As at 1 January 2018 | 1,873 | 1,312 | 162 | 3,347 |

**Enquiries**

**Anpario plc**
Richard Edwards Chief Executive Officer +44(0) 777 6417 129
Karen Prior Finance Director +44(0) 1909 537380

**Peel Hunt LLP**
Adrian Trimmings, George Sellar +44 (0)207 418 8900