Rex Bionics Plc
("Rex Bionics" or the "Company")

Interim Results for the six months ending 30 September 2015

Rex Bionics, (AIM: RXB) the pioneer of the REX Robot technology that enhances the mobility of wheelchair users, today announces its unaudited interim results for the six month period ending 30 September 2015.

Highlights within the six month period:

Operational:

- Sales of three REX units (US: two, Hong Kong: one), representing maiden sales of the product since the Company's IPO;
- Key partnership and distribution agreements signed in the US, China, Hong Kong and Europe, opening up access to some of the world's largest markets;
- First ever successful personal injury claims awarding insurance funding for wheelchair users to access the REX Robot;
- Patient recruitment well underway in the Company's 100 patient international, multi-centre RAPPER II clinical trial, designed to evaluate the safety and feasibility of a set of customised exercises performed in a REX;
- Successful demonstration of the direction of REX by mind control technology at the 2015 Meeting of Robotics: Science and Systems in Rome.

Financial (unaudited):

- Maiden product revenues for the period of £0.18 million (6 months to 30 September 2014: £Nil);
- Loss for the period of £2.18 million (6 months to 30 September 2014: £2.29 million);
- Net cash at 30 September 2015 £3.70 million (31 March 2015: £4.37 million, 30 September 2014: £6.56 million);

- Follow-on offering June 2015 raising £1.9 million after expenses.

Post Period Highlights:

- Positive interim data on the first 20 patients in the RAPPER II clinical trial presented at international neuro-rehabilitation conferences in Vienna, Austria and Perth, Australia. Additional RAPPER II clinical trial sites opening in the UK, Australia and New Zealand;
- Start of US commercialisation activities in partnership with Ri LLC ("Enable Me") from October 2015. Strong US clinic demand for REX evaluations – a critical phase of the sales process;
- New Auckland manufacturing facility certified to ISO 13485:2003 and ISO 9001:2008, confirming compliance of Rex quality management systems with international regulatory requirements for medical devices;
- Award of up to NZD100,000 (£45,000) funding from New Zealand Trade and Enterprise to support US business development;
- First sale of REX P, for personal use, expected before end of 2015.

Commenting on the interim results, Crispin Simon, Chief Executive Officer of Rex Bionics, said:

"We are pleased to record our first sales of REX since the Company's IPO; and are making good progress with our five commercial priorities: clinical data, distributor recruitment, reference centres, US development and new medical applications.

We expect sales in the second half of the year to be higher than in the first half.

"The appointment of Ri LLC as our US distribution partner, opening up the substantial and technology-friendly US market, and the positive interim data from the RAPPER II trial, were crucial milestones.

"With more of the basics now in place, we are ready to focus again on our mission to commercialise an all-day use REX P for a target market segment of wheelchair users with a spinal cord injury, who number around 500,000 people in the US and EU alone."

For more information, please contact:

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About Rex Bionics Plc

Rex Bionics (AIM: RXB) is the pioneer of the REX Robot that enhances the mobility of wheelchair users and was founded in Auckland, New Zealand by two robotics engineers with first-hand experience of wheelchair users and their needs.

Rex Bionics is working with physiotherapists to develop the concept and practice of Robot-Assisted Physiotherapy (RAP). In a session of RAP, REX lifts patients from a sitting position into a robot-supported standing position, allowing them to take part in a set of supported walking and stretching exercises, designed by specialist physiotherapists.

In addition, REX P, for use in the home, enables users to walk and stand with their hands free - providing more work and recreation options. Our vision is to commercialise an all-day use REX P for a target market segment of wheel chair users with a spinal cord injury, who number around 500,000 people in the US and EU alone.

Wheelchair users are at risk of developing numerous medical complications from extended periods of sitting. By enabling them to spend more time standing, walking and exercising, REX may offer significant health benefits, including improved sleep and maintenance of joint range, and a reduction in spasm, pain, common abdominal problems and prescription drug use.

A programme of "RAPPER" clinical trials is now under way to evaluate these potential benefits and a positive interim analysis of the RAPPER II data was presented on 27th November 2015. Recruitment for RAPPER II remains open and clinics and individuals can send enquiries to rex@physiofunction.co.uk.

Until now, REX has most commonly been used by wheelchair users with a spinal cord injury, but has also been used by people who have suffered a stroke or other traumatic brain injury; and wheelchair users with multiple sclerosis, muscular dystrophy and cerebral palsy.

Rex Bionics has three Strategic Objectives - to establish Robot-Assisted Physiotherapy as a Gold Standard of Care for Spinal Cord Injury, Stroke and other neurological conditions; to establish REX as the market-leading robotic mobility aid; and by effective execution of our plans, to deliver significant value growth to shareholders.

Rex Bionics works with distribution partners in the US (customerservice@ri-llc.com), China (MAAB, alex-lou@maab-group.com), Hong Kong and Taiwan (Deltason, tommy-chan@deltason.com), Denmark and Belgium; and in other countries we support customers directly (debra.leeves@rexbionics.com).

Rex Bionics was admitted to trading on the London Stock Exchange's AIM in 2014. REX is not registered for At-Home use in the United States of America.

Chief Executive's Review

Overview

During the period ending 30 September 2015 Rex Bionics has continued to make significant progress on the five commercialisation priorities outlined in late 2014, and the Company is now demonstrating how REX fits into a new paradigm for the use of robot technology in the rehabilitation of people with mobility impairment. The recently published analysis of interim data from the RAPPER II clinical trial provides clear evidence that the concept of Robot-Assisted Physiotherapy is both viable for patients and effective for clinicians in a rehabilitative session; and that patients with more severe spinal cord injuries can be safely and effectively treated.

The two awards made by the UK courts during the period in respect of personal injury claims, one of which included funding for the claimant to purchase a REX, and the other an interim award to fund the costs of intensive weekly therapy using a REX pending final settlement of the claim, provide further validation for the perceived clinical and psychological benefits of using a REX.

These developments are helping us to accelerate our commercialisation strategy, and we have signed a number of key strategic partnerships during the period which will provide the platform for the Company to expand its commercial reach into the key US, Chinese and European markets. We are delighted to report maiden sales of three REX units during the period. With further orders already in-house for shipment during the second half, we are confident that sales momentum is beginning to build.

Sales and Marketing Activities

Product sales

The sales of three REX units that we are reporting for the period, two in the US and one in Hong Kong, demonstrate that the Company's sales and marketing activities are now beginning to bear fruit. These represent the first product revenues since the Company's IPO and are important milestones for the Company. With further customer orders already in-hand, we expect that second-half sales will be higher than sales in the first half, and revenues are now on an upward trend.

Distributor appointments

A key objective of the last six months has been to put in place the foundations for a comprehensive network of specialised distributors and commercial partners to support the international commercialisation of REX. During the period the Company has appointed distributors and strategic partners in the US, China, Hong Kong, Scandinavia, the Benelux countries and Russia. Discussions continue with potential distributors in a number of other countries, and we expect further appointments to be made in the second half of this financial year.

We were particularly pleased with the early appointment of experienced partners in the US and China, given the commercial importance of those two markets. Ri, LLC, our new distributor in the US, is a specialist supplier of movement therapy equipment to neuro-rehabilitation clinics throughout the US. Headquartered in St Petersburg, Florida, Ri is privately owned and was established in 2003 by Mike Laky, a seasoned rehabilitation industry specialist. Through its existing product range it already has long-term contracts in place with the leading US hospital chains including the Veterans Administration, HealthSouth and Select Healthcare. Ri has 30 sales representatives in the field and offers broad geographic coverage for Rex products across the US, as well as providing the required FDA-compliant regulatory systems.

Our commercial partner in China, appointed in July 2015, is MAAB Group, an investment and trading company that specialises in sourcing and bringing innovative medical technologies into China. MAAB is headquartered in Hong Kong and was founded by industry veterans with a mix of expertise ranging from market access to sales and marketing. It is currently the appointed China partner and distributor for a number of cutting edge medical devices and diagnostic products from the UK, New Zealand and Denmark.

Under the terms of the collaboration, MAAB will manage the application process for China Food and Drug Administration (CFDA) regulatory approval for REX, as well as the sales, marketing and distribution of the product once it is approved. MAAB has already commenced limited pre-marketing of REX in the Chinese market (within the restrictions set by CFDA) and we are hopeful that a full product launch could take place as early as the second half of fiscal 2016/17, subject to formal CFDA marketing approval.

The rapid growth of China's emerging middle class, coupled with the Chinese government's increasing commitment to improving healthcare access, has led to a sharp increase in the demand for care in China, which we believe represents a clear opportunity for REX.

Marketing activities

The Company continues to pursue a focused but highly active marketing and PR campaign to create greater awareness of REX in global markets. During the period we have exhibited at a number of major international neuro-rehabilitation conferences in Boston, Dallas, Dubai, Rome and Shanghai, where we were honoured to receive a visit to our stand by His Royal Highness Prince William. REX has also featured on local and national television channels in a number of countries, including an appearance on the Canadian version of Dragon's Den, in which a REX user successfully persuaded the Dragons to provide financial backing for him to open a private rehabilitation clinic. More recently a number of local television news channels in the Detroit area covered a demonstration of REX at the Detroit Medical Centre Rehabilitation Institute of Michigan. We believe this to be the first time REX has appeared on US television.

Personal injury claims

Another area of increasing focus is the potential for funding for a REX to be included in awards under personal injury claims. Evidence for the significant opportunity that this represents was provided by the announcement in September 2015 that Ben Barnes, who had sustained a spinal cord injury in a road traffic accident, had become the first recipient of a British High Court damages settlement enabling him to purchase his own REX for use at

home. As part of his overall settlement, Mr Barnes was awarded a total of £550,000 for orthotics, which included the cost of a REX for home rehabilitation, its replacements and associated costs.

In another recent case in the UK, a man who sustained spinal cord damage as a result of alleged clinical negligence has been awarded interim funding for an intensive course of robot-assisted physiotherapy with REX, pending a final settlement of his insurance claim.

The Company views these awards as an endorsement from the courts and the insurance industry of the principle that the REX robot technology can help people with spinal cord injuries to remain healthy and enable them to resume activities they may have thought were no longer within their capabilities.

NZ Government funding to support US commercial development

In the last few days the Company has received formal notification from New Zealand Trade and Enterprise, the New Zealand government's international business development agency, that it will provide up to NZD100,000 in funding to support the development of the Rex business in the US market. The Company already receives significant New Zealand government grant funding for its Auckland-based research & development activities, and we are very grateful to the New Zealand government for this additional support.

Clinical Data

On 1 June 2015 the Company announced the enrolment of the first recruit in its RAPPER II (Robot-Assisted PhysiotheraPy Exercises with REX) clinical trial. This 100-patient study seeks to evaluate the safety and feasibility of a set of customised exercises performed in a REX.

Recruitment rates at the first trial centre, PhysioFunction in Northampton, UK, have been rapid, and recruitment is expected to accelerate over the coming months with the addition of five new trial centres at major neuro-rehabilitation units in the UK, Australia and New Zealand, establishing RAPPER II as a genuinely international clinical trial. We expect all of these sites, and others, to continue to act as Reference Centres for REX.

Positive results from an interim analysis of data from the first 20 patients to be recruited into the trial have recently been presented at international neuro-rehabilitation conferences in Perth, Australia and Vienna and were announced by the Company on 27 November. The key findings from this first interim analysis were as follows:

- 19 out of 20 volunteers (95%) were able to complete the walk/exercise protocol ("Treatment Success"), which was the primary end-point of the trial;
- The mean time from transfer to mobilisation was seven minutes and in less than ten minutes all the users were able to use the joystick to control the REX;
- There were no Serious Adverse Events and no treatment-related Adverse Events.

We are encouraged by the outcome, which we believe provides compelling evidence that the REX can be used safely by most people with a spinal cord injury, and requires only brief and simple training to be used successfully.

In addition to the formal study end-points, all the volunteers who completed the treatment were asked to respond to a 16 item questionnaire covering aspects of their experience of using the REX. Overall, 84% of all the volunteers' answers to all of the questions were positive. In answers to specific questions, 100% of volunteers could "see the benefits of using REX regularly", 95% "would like to use REX on a weekly basis", and 79% of volunteers "felt a sense of wellness after using REX". Responses to questions relating to Confidence, Safety, Stability, Comfort and Ease of Control of REX were in the 84-95% positive range.

The pattern of responses suggests that the REX will be able to deliver the proven benefits to wheelchair users of standing and walking, and they will provide important support to take to reimbursement agencies.

The results from this interim analysis of the RAPPER II trial data represent a first step in generating the clinical data that the Company believes will form an essential part of the commercial strategy for REX. Our intention is to prepare a second interim analysis based on data from the next cohort of 20 patients, including new, more detailed questionnaires and an extended, seven-day follow-up. We expect these results to be presented around the middle of 2016.

Technology Update

Research and development efforts during the period have focused on design improvements to the current product line in parallel with continued work on the mechanical and operating system platform for the next generation of REX robots.

A highlight was the successful demonstration of the direction of REX by "Mind Control" technology at the 2015 Meeting of Robotics: Science and Systems in Rome, in which Robert Camm, a 21 year-old quadriplegic man from Gloucestershire, UK, with a C3 level complete spinal injury, walked in the REX while in complete and sole control of the device. The Mind Control technology used at this conference was developed by the Company's collaborators at the Laboratory for Non-invasive Brain-Machine Interface Systems, Department of Electrical and Computer Engineering at the University of Houston in Texas.

Independent of its collaboration with the University of Houston, the Company is also working with the Centre for Neuroprosthetics at the EPFL in Lausanne, Switzerland on a separate, well-advanced research programme that also explores the use of mind control of robots.

In conjunction with its collaborations in mind control technology the Company has during the period developed and released an upgraded version of its RexLink software, that allows researchers and therapists to record all of the movements of a REX precisely and automatically in real time. The Company believes that this will be a valuable tool in the study of the biome-

chanics of the core REX system and in new applications in our R&D pipeline. Development of the basic science is an important part of the Rex Bionics' innovation process and we intend to make this technology available to departments of robotics at universities around the world.

Manufacturing Update

The move to new manufacturing facilities just outside Auckland in the second half of 2014 presented an opportunity for the Company not only to expand its manufacturing capacity but also to revalidate its production and quality management systems. Where appropriate, the company has also introduced new, more rigorous procedures and controls to meet the challenges of manufacturing a highly complex medical device to the demanding standards required by national regulatory authorities around the world.

The success of the manufacturing team in New Zealand in achieving this objective has been recognised by the recent certification of the new facility to ISO 13485:2003 and ISO 9001:2008, confirming the compliance of Rex Bionics' quality management systems with the international regulatory requirements for medical devices. It gives us confidence that our manufacturing operations are well placed to meet the anticipated growth in product demand.

Management Change

As announced in our Company update in September 2015, Richard Little, the co-founder of Rex Bionics and its Chief Technology Officer, has indicated his intention to resign from his position in order to develop a new business in a non-competitive field. Richard will continue to work with Rex Bionics on a consultancy basis, in order that his knowledge and experience remains available to the Company. Duncan Clement, Rex Bionics' Director of Engineering, who first worked with Rex in 2008, will continue to lead the Company's R&D group, as he has done since his appointment to the role earlier in 2015.

On behalf of Rex Bionics, I would like to take this opportunity to thank Richard for his pivotal role as co-inventor of the REX technology and for his drive and determination over many years in bringing it from vision to reality. I am delighted that Rex will still be able to call on his services, and we wish him well in his new venture.

Financial Update

The results reported in the accompanying financial statements for the six months to 30 September 2015 and for the six months to 30 September 2014 are unaudited. The figures shown for the 16-month period to 31 March 2015 are extracted from the audited financial statements for that period.

Condensed consolidated statement of comprehensive income (unaudited)

Product revenues of £0.18 million for the period under review (six months to 30 September 2014: £Nil) represent sales of the first three REX units since the Company's IPO in May 2014. The negative gross profit for the period of £0.08 million (six months to 30 September 2014: £Nil) is due primarily to the high indirect manufacturing costs in relation to sales volumes in this early commercialisation phase. Indirect manufacturing costs are expected to remain relatively fixed over the next twelve months.

Total administrative expenses were £2.45 million (six months to 30 September 2014: £2.37 million). Administrative expenses include amortisation of £0.38 million (six months to 30 September 2014: £0.32 million) on acquired intellectual property assets arising from the acquisition of the Company's New Zealand subsidiary Rex Bionics Ltd in May 2014. The Company expects operating expenses to remain relatively fixed in the near term.

The net loss for the six months to 30 September 2015 amounted to £2.18 million (six months to 30 September 2014: £2.29 million), a slight decrease over the corresponding prior year period. The 2014 figure only included the results of Rex Bionics Ltd for the 5- month period from May to September 2014.

Condensed consolidated statement of financial position (unaudited)

The Group's cash reserves at 30 September 2015 amounted to £3.70 million (31 March 2015: £4.37 million, 30 September 2014: £6.56 million). Net cash outflows from operating activities for the six months to 30 September 2015 of £1.90 million (six months to 30 September 2014: £2.52 million) were exactly offset by net proceeds of £1.90 million from an equity fundraising in June 2015. The net reduction in cash reserves during the period of £0.67 million reflected outflows from investing activities of £0.12 million, and an adverse foreign exchange effect of £0.55 million arising on the translation of New Zealand Dollar (NZD) denominated net assets in the books of Rex Bionics Ltd into Pounds Sterling (GBP). This was caused by a depreciation of approximately 20% by the NZD relative to GBP during the period.

Although it has produced a negative effect in the current period in GBP financial reporting terms, a depreciation of this magnitude in NZD vs. GBP, if maintained, will be highly beneficial from an operational perspective, as a high proportion of Group expenditure, in particular research & development and manufacturing costs, is incurred in NZD.

EIS Relief

The June 2015 fundraising is expected to qualify for EIS relief, although formal confirmation has still to be obtained from HMRC.

Key Objectives for 2015 / 16

The table below summarises progress during the period towards the Company's key commercial priorities for fiscal 2015 /16, first described in the Company's trading update of

18 December 2014, which it is targeting for completion by March 2016 to coincide with the financial year end:

1. *Initiation of clinical trials designed to persuade the rehabilitation community of the clinical benefit and value-for-money of REX*
   Comment: RAPPER II trial recruitment commenced in June 2015 and positive interim data have already been presented - see Clinical Data section above.

2. *Implementation of a US Clinical Trial to secure FDA 510(k) clearance of REX for At-Home use in the USA*
   Comment: The next step is inter-action with FDA. A favourable review could lead to clearance for At-Home use in late 2016.

3. *Evidence of progress with other projects that demonstrate the value of REX in accelerating the rehabilitation of patients who have experienced traumatic or degenerative neurological injury other than spinal cord injury*
   Comment: Productive discussions continue with relevant hospitals. REX is already beginning to be used for rehabilitation therapy in indications other than SCI.

4. *The recruitment of further Reference Centres in order to achieve our target of ten Reference Centres by the end of 2015*
   Comment: We expect to have eight Reference Centres on line by the end of 2015 and two more by the end of Q1 2016. See Clinical Data section above

5. *The recruitment of distribution partners and other commercialisation initiatives*
   Comment: Good progress – See Distributor appointments section above.

Summary and Outlook

We are pleased with the progress the Company has made during the period under review. A number of key milestones have been achieved, including the first product sales since our IPO; the appointment of strong distribution partners in major international market; and the announcement of promising data from clinical trials. We remain on track to deliver on the commercialisation priorities that we set ourselves at the end of last year, and we have achieved this while maintaining strong control over the Company's finances. Sales in the second half of the year are expected to be higher than in the first half. In the next 12 months the Company also plans to raise further funding.

International awareness of the product is growing, as a result of the efforts of our new distributors as well as our own sales & marketing team. The feedback we receive, both from users and medical professionals, remains overwhelmingly positive, and has provided important insights into potential new applications for REX.

The life transforming potential of the REX technology, together with the commercial platform we are now putting in place and the skills and dedication of the Rex Bionics management and staff, continues to give us confidence in our ability to achieve commercial success for the Company and to deliver shareholder value.

Crispin Simon
Chief Executive Officer

8 December 2015

Rex Bionics Plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 September 2015

	Note	**6 months ended 30 September 2015 (Unaudited) £'000**	6 months ended 30 September 2014 (Unaudited) £'000	16 months ended 31 March 2015 (Audited) £'000
Revenue		**184**	-	176
Cost of sales		**(262)**	(5)	-
Gross (loss) / profit		**(78)**	(5)	176
Other income		**85**	-	63
Administrative expenses		**(2,446)**	(2,365)	(5,649)
Loss from operations	3	**(2,439)**	(2,370)	(5,410)
Finance income		**41**	-	50
Finance costs		**113**	-	(113)
Loss on ordinary activities before tax		**(2,285)**	(2,370)	(5,473)
Tax income (expense)		**101**	84	172
Loss for the period		**(2,184)**	(2,286)	(5,301)
Other comprehensive income, net of tax				
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations		**(565)**	(99)	46
Other comprehensive income/(expenses)		**(565)**	(99)	46
Total comprehensive loss for the period, net of tax		**(2,749)**	(2,385)	(5,255)
Basic and diluted loss per share – from continuing activities (pence)	5	**(13.6)**	(38.2)	(53.4)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2015

	Note	**30 September 2015 (Unaudited)**	30 September 2014 (Unaudited)	31 March 2015 (Audited)
Assets		**£'000**	£'000	£'000
Non-current assets				
Goodwill		**3,258**	3,258	3,258
Other intangible assets		**10,152**	10,785	10,513
Property, plant and equipment		**280**	231	251
		13,690	14,274	14,022
Current assets				
Inventories		**387**	454	494
Trade and other receivables		**386**	194	220
Cash and cash equivalents		**3,696**	6,557	4,368
Total assets		**18,159**	21,479	19,104
Equity and liabilities				
Equity attributable to owners of the parent				
Share capital	4	**14,643**	14,289	14,289
Share premium	4	**9,630**	8,087	8,087
Share option reserve		**293**	277	277
Foreign currency translation reserve		**(519)**	(98)	46
Other reserve		**-**	-	113
Retained losses		**(9,348)**	(4,495)	(7,164)
		14,699	18,060	15,648
Liabilities				
Non-current liabilities				
Deferred tax liability		**2,760**	2,948	2,861
		2,760	2,948	2,861
Current liabilities				
Trade and other payables		**700**	471	595
		700	471	595
Total equity and liabilities		**18,159**	21,479	19,104

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 September 2015

	Share capital £'000	Share premium £'000	Share option reserve £'000	Foreign currency translation reserve £'000	Other reserve £'000	Retained losses £'000	Total £'000
Balance at 30 November 2013	**340**	**1,247**	**92**	**-**	**-**	**(1,885)**	**(206)**
Prior year adjustment						(24)	(24)
Comprehensive income							
Loss for the period	-	-	-	-	-	(300)	(300)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	-	(300)	(300)
Balance at 31 March 2014	340	1,247	92	-	-	(2,209)	(530)
Comprehensive income							
Loss for the period	-	-	-	-	-	(2,286)	(2,286)
Share based payments	-	-	185	-	-	-	185
Other comprehensive income							
Exchange differences on translation of foreign operations	-	-	-	(98)	-	-	(98)
Total comprehensive loss	-	-	185	(98)	-	(2,286)	(2,199)
Transactions with owners							
Issue of share capital:							
As consideration for acquisitions	7,668	2,805	-	-	-	-	10,473
To subscribers in IPO	5,555	4,445	-	-	-	-	10,000
On conversion of loan notes at IPO	726	254	-	-	-	-	980
Share issuance costs	-	(664)	-	-	-	-	(664)
	13,949	6,840	-	-	-	-	20,789
Balance at 30 September 2014	14,289	8,087	277	(98)	-	(4,495)	18,060
Comprehensive income							
Loss for the period	-	-	-	-	-	(2,669)	(2,669)
Finance charge	-	-	-	-	113	-	113
Other comprehensive income							
Exchange differences on translation of foreign operations	-	-	-	144	-	-	144
Total comprehensive loss	-	-	-	46	113	(2,669)	(2,412)
Balance at 31 March 2015	14,289	8,087	277	46	113	(7,164)	15,648
Comprehensive income							

Loss for the period	-	-	-	-	-	(2,184)	(2184)
Share based payment	-	-	16	-	-	-	16
Finance charge	-	-	-	-	(113)	-	(113)
Other comprehensive income							
Exchange differences on translation of foreign operations	-	-	-	(565)	-	-	(565)
Total comprehensive loss	-	-	16	(565)	(113)	(2,184)	(2,846)
Transactions with owners							
Issue of share capital:							
To subscribers in 30 June 2015 Placing	354	1,771	-	-	-	-	2,125
Share issuance costs	-	(228)	-	-	-	-	(228)
	354	1,543	-	-	-	-	1,897
Balance at 30 September 2015	**14,643**	**9,630**	**293**	**(519)**	**-**	**(9,348)**	**14,699**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2015

	6 months ended 30 September 2015 (Unaudited) £'000	6 months ended 30 September 2014 (Unaudited) £'000	16 months ended 31 March 2015 (Audited) £'000
Cash flows from operating activities			
Loss before taxation	**(2,285)**	(2,370)	(5,473)
Adjustments for:			
Depreciation	**60**	36	87
Amortisation of intangible assets	**378**	315	664
Share based payments	**16**	185	185
Finance charge	**(113)**	-	113
Foreign exchange adjustments arising from operations	**-**	-	(2)
Cash flows from operations before changes in working capital	**(1,944)**	(1,834)	(4,426)
Decrease (increase) in inventories	**107**	(361)	(383)
(Increase) decrease in receivables	**(166)**	54	(210)
Increase (decrease) in payables	**105**	(377)	205
	(1,898)	(2,518)	(4,814)
Cash flows from investing activities			
Finance income	**41**	-	50
Purchases of property, plant and equipment	**(148)**	(193)	(295)
Purchases of intangible assets	**(16)**	(78)	(96)
Subscription for convertible loan notes	**-**	-	(980)
Net cash outflows from investing activities	**(123)**	(271)	(1,321)
Cash flows from financing activities			
Proceeds of share issues	**2,125**	10,000	10,000
Share issuance costs	**(228)**	(664)	(664)
Proceeds of convertible loan note issues	**-**	-	980
Net cash inflows from financing activities	**1,897**	9,336	10,316
Net increase / (decrease) in cash and cash equivalents	**(124)**	6,547	4,181
Cash and cash equivalents at the beginning of the period	**4,368**	154	174
Effect of foreign exchange rate change	**(548)**	(144)	13
Cash and cash equivalents at the end of the period	**3,696**	6,557	4,368

NOTES TO THE INTERIM RESULTS ANNOUNCEMENT

For the six months ended 30 September 2015

1 General information

Rex Bionics Plc (the "Company") is a public limited company incorporated and domiciled in England and Wales (registration number 06425793). Its registered office address and principal place of business is 5th Floor, 7 Swallow Place, London W1B 2AG. The Company's Ordinary Shares are traded on the AIM market of the London Stock Exchange Plc under the ticker "RXB".

The Company joined AIM via an IPO on 8 May 2014. On the same day it acquired the entire issued share capital of Rex Bionics Limited, a New Zealand registered company, and changed its own name from Union MedTech Plc to Rex Bionics Plc. The Rex Bionics Group (the "Group") comprises Rex Bionics Plc and its subsidiary companies.

The principal activities of the Group are the research & development, manufacture and commercialisation of advanced robotic devices designed to provide physiotherapy to and improve the physical and psychological well-being of people with major mobility impairment as a result of spinal cord injury or other neurological damage.

2 Basis of preparation and statement of compliance with IFRSs

The Consolidated Interim Financial Statements cover the six-month period from 1 April 2015 to 30 September 2015 and are unaudited. During the previous reporting period the Company changed its accounting reference date from 30 November 2014 to 31 March 2015. The comparative prior year figures are the unaudited results for the 6-month period to 30 September 2014.

The Consolidated Financial Statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('EU'), IFRIC Interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. They were approved and authorised for issue by the Board of Directors on 7 December 2015.

The financial statements are presented in Thousand Pounds Sterling (£'000). All amounts are rounded to the nearest thousand Pounds unless otherwise indicated.

Going Concern

The interim financial statements have been prepared on a going concern basis, notwithstanding the trading losses being carried forward and the expectation that the Company will continue to make trading losses for some time to come.

The Group is currently consuming cash resources, and will continue to do so until sales revenues are sufficiently high to generate net cash inflows. Until the Group begins to generate

positive net cash flows, it remains dependent upon securing additional funding, primarily through the injection of capital from share issues. During the current period the Company raised additional funds of £2.1 million before expenses through a placing of ordinary shares to new and existing investors.

At 30 September 2015 the Company had net cash reserves of £3.70 million. It is the Directors' intention to raise further funds over the course of the next twelve months via the issue of further equity share capital, and the Directors have a reasonable expectation that this can be achieved, although there can be no certainty that additional funds can be raised on suitable terms or at all. If further funds cannot be raised within the period the Directors believe, after taking into account current cash resources, their financial forecasts for the Company and after making due and careful enquiries and considering all uncertainties, that measures can be taken to reduce expenditure so as to ensure that the Company and Group will have adequate resources to continue in operational existence for at least twelve months from the date of this report. For this reason the Directors continue to adopt the going concern basis in preparing these interim financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

3 Loss from operations

	6 months ended 30 September 2015 (Unaudited) £'000	6 months ended 30 September 2014 (Unaudited) £'000	16 months ended 31 March 2015 (Audited) £'000
The loss from operations is arrived at after charging (crediting):			
Non-recurring transaction costs	**-**	636	636
Depreciation of property, plant and equipment	**60**	36	87
Amortisation of intangible assets	**378**	315	664
Operating lease rentals:			
land and buildings	**62**	62	124
Research and development costs	**273**	272	511
Share based compensation	**16**	185	185
Finance charge	**(113)**	-	113
Foreign exchange	**-**	-	(22)

Non-recurring transaction costs represent legal and other advisory costs in connection with the acquisition of Rex Bionics Ltd in conjunction with the Company's IPO on AIM in May 2014.

4 Share capital and share premium

At 30 September 2015 the share capital of Rex Bionics Plc consisted of fully paid Ordinary Shares with a nominal (par) value of £0.10p per share and Deferred Shares with a nominal value of £0.90p per share. The Deferred Shares were created on 30 June 2015 as a result of a share restructuring in which each £1 Ordinary Share in issue at that date was sub-divided and

re-denominated into one £0.10p Ordinary Share and one £0.90p Deferred Share. All Ordinary Shares rank pari passu in respect of the receipt of dividends, the repayment of capital and voting rights at Shareholders' meetings. The Deferred Shares have no dividend or voting rights and rank behind the Ordinary Shares in any repayment of capital.

	Ordinary Shares		Deferred Shares		
	Number of shares	**Nominal value**	**Number of shares**	**Nominal value**	**Share premium**
		£		**£**	**£**
Issued and fully paid at 1 December 2013					
Ordinary Shares of £0.01p each	33,954,938	339,550	-	-	1,246,711
Consolidation of 1 £1 share for 100 £0.01p shares 29 April 2014	339,550	339,550	-	-	1,246,711
Issue of share capital:					
As consideration for acquisition of Rex Bionics Ltd	7,668,330	7,668,330	-	-	2,805,641
For cash to subscribers in IPO	5,555,556	5,555,556	-	-	4,444,444
On conversion of UMT Loan Notes at IPO	725,924	725,924	-	-	254,076
Share issuance costs	-	-	-	-	(663,174)
At 30 September 2014 and 31 March 2015	14,289,360	14,289,360	-	-	8,087,698
Share Restructuring 30 June 2015 to replace each £1 Ordinary share by 1 £0.10p Ordinary Share and 1 £0.90p Deferred Share	-	(12,860,424)	14,289,360	12,860,424	-
Issue of share capital:					
To subscribers in Placing 30 June 2015	3,541,166	354,117	-	-	1,770,583
Share issuance costs	-	-	-	-	(227,828)
At 30 September 2015	17,830,526	1,783,053	14,289,360	12,860,424	9,630,453

Between December 2013 and January 2014 the Company subscribed for convertible loan notes of NZD1 each issued by Rex Bionics Ltd (the "B Loan Notes") in two separate tranches amounting in aggregate to NZD1.903 million. During the current reporting period the Company reached agreement with Rex Bionics Ltd to waive its conversion rights under the B Loan Note Agreement and for the outstanding B Loan Notes to be replaced by a non-convertible, non-interest bearing loan of the same aggregate amount, repayable on demand.

5 Loss per share

Basic and diluted earnings per share have been calculated using the loss attributable to shareholders of the Parent Company as the numerator, ie no adjustments to loss were necessary. At 30 September 2015 there were 1,151,448 options and 142,014 warrants outstanding (30 September 2014: 521,904 options and 142,014 warrants outstanding, 31 March 2015: 1,024,029 options and 142,014 warrants outstanding).

	6 months ended 30 September 2015 £'000	6 months ended 30 September 2014 £'000	16 months ended 31 March 2015 £'000
Loss attributable to equity holders in the parent:			
Loss for the period	**(2,184)**	(2,286)	(5,301)
Number of shares:			
Weighted average number of shares in issue during the period	**16,059,943**	5,982,192	9,939,029
Basic and diluted earnings per share (pence)			
Basic and fully diluted loss per share	**(13.6)**	(38.2)	(53.4)

6. Share-based payment transactions

The Company issues equity-settled share-based payments to several of its Directors, as well as employees of its subsidiaries. In accordance with IFRS 2, for all grants of share options and awards the cost of the equity-settled share-based payments is measured at fair value at the date of grant.

Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. The fair value is appraised at the grant date and excludes the impact of non-market vesting conditions. That fair value is expensed on a straight line basis over the vesting period for the related options based upon the Company's estimate of the shares that will eventually vest, with a corresponding credit to "share option reserve".

A modification to a share option is accounted for by continuing with the existing accounting for the old option scheme and in addition recognising the increment in fair value of the new option scheme over the vesting periods. The incremental fair value granted is the difference between the fair value of the replacement equity instruments and the net fair value of the cancelled equity instrument sat the date the replacement equity instruments are granted.

The net fair value of the cancelled instruments is their fair value immediately before the cancellation, less the amount of any payment made to the employee on cancellation of the equity instruments. No expense is recognised for awards that do not ultimately vest as a result of the relevant employee ceasing to be employed by the Group.

Fair value is measured using the Black Scholes Option Pricing Model. The expected life used in the model is the expiry date of the options. Upon exercise of share options, the proceeds

received net of any directly attributable transaction costs up to the value of the shares issued are allocated to share capital with any excess being recorded as share premium.