

**Polemos plc**  
**("Polemos" or the "Company")**

**Unaudited interim results for the six months ended 30 June 2017**

The Board of Polemos announces the unaudited interim results for the six months ended 30 June 2017.

The interim results appear below and a copy will shortly be made available on the Company's website <http://www.polemos.co.uk/>.

**For further information, please contact:**

**Polemos plc** +44 (0)20 7440 0640  
Hamish Harris

**Beaumont Cornish Limited (Nominated Adviser and Broker)** +44 (0)20 7628 3396  
James Biddle  
Michael Cornish

**Peterhouse Corporate Finance (Joint Broker)** +44 (0)20 7469 0930  
Lucy Williams

**Chairman's statement**

The Company continued to review a number of potential new investment opportunities during the period under review. Following this, on 8 September 2017, Polemos announced that it has entered into an agreement (the "Agreement") assigning to the Company the benefit of a binding term sheet to acquire 100% of the issued share capital of SecurLinX Corporation ("SecurLinX"), a US based cyber security company.

Under the terms of the Agreement, the Company has been assigned the rights under an Option Agreement, to acquire SecurLinX through the issuance of 50,981,941,743 new ordinary shares of 0.01p each in the Company (the "Ordinary Shares") at an issue price of 0.035p per Ordinary Share (the "Consideration Shares") with a value of £17,843,680 (the "Acquisition"). Under the Agreement, the Company has also agreed to advance a loan to SecurLinX, totalling US\$500,000 (the "Loan"), payable in two tranches; the initial tranche of US\$300,000 being due on signing of the Agreement and the second tranche to follow within 21 days. The Loan is convertible into 1,326,794 ordinary shares in SecurLinX representing 3.21% of the company's fully diluted share capital, bears interest at 2% per annum and is repayable on 24 August 2018. The Company expects SecurLinX to use the Loan funds to convert sales targets and secure new customers to grow its business.

The Directors believe that the Transaction would be in the best interests of shareholders and further updates will be provided in due course. Whilst the Directors remain confident about successfully concluding this acquisition, there can be no guarantee that a transaction will be completed.

*About SecurLinX*

SecurLinX is a Delaware incorporated company based outside Detroit, Michigan. Via its subsidiary Prism, SecurLinX aims to become the leading technical and tactical provider of seamlessly integrated, affordable biometric identity management and access control systems that serve domestic and international healthcare markets and the private sector

The Company owns both patent pending technology and middleware protected by copyrights which are incorporated into its products. The Company has registered trademarks including FaceTrac®, SecurLinX™, WatchTracÔ, IdentiTracÔ, VeriTracÔ, IDTrac™, AmberView® and AmberVision™.

The company's produces middleware interface components and related data storage software used in association with all types of biometric identification, secure access control, surveillance, and document control systems that: (1) enable users to deploy any combination of facial recognition, fingerprint, iris, vein and other biometric applications in a single networked solution; and

(2) facilitate the sharing and consolidation of secure biometric databases and related data from other sources. It is focused on providing this to government and medical institutions across the US as well as looking to expand in Europe.

### **Oyster investment**

Prior to entering into the Agreement to acquire SecurLinx as set out above, the Company invested £500,000 into TSXV listed Oyster Oil and Gas Ltd ("Oyster"), an African focused frontier oil and gas exploration company headed by Mike Wood, an experienced oil executive and one of the founders and a former CEO and CFO of Heritage Oil Corporation. Further information on Oyster can be found at [www.oysteroil.com](http://www.oysteroil.com).

Accordingly, Oyster has issued Polemos a convertible loan debenture for a principal amount of CAD828,415 (being £500,000 at the date of transfer). Oyster has also announced that it intends to list its Common Shares on the AIM Market of the London Stock Exchange and has engaged advisers in this regard.

### **Financial Results**

During the period, the Company made a total comprehensive loss from continuing operations of £174,000 (6 months ended 30 June 2016: loss £41,000).

There was a weighted loss per share from continuing operations of 0.015p (6 months ended 30 June 2016: loss per share of 0.005p).

Cash and cash equivalents at 30 June 2017 amounted to £151,000 (30 June 2016: £295,000).

During the period the Company issued 1.414 billion new shares (on 15 February 2017) at 0.035p to raise gross proceeds of £495,000. A further 2.222 billion new shares were placed on 18 July 2017 at 0.0225p to raise £500,000 for further investments.

### **Outlook**

The Company is working with its advisers on the potential SecurLinx acquisition and will update investors as and when appropriate.

Hamish Harris  
Chairman  
21 September 2017

**Unaudited Condensed Company Statement of Comprehensive Income  
for the six months ended 30 June 2017**

	Six months ended 30 June 2017 Unaudited £'000	Six months ended 30 June 2016 Unaudited £'000	Year ended 31 December 2016 Audited £'000
Revenue	-	-	-
Administrative expenses	(117)	(63)	(269)
Share based payments	(30)	-	-
Realised (loss) on disposal of available for sale asset	(244)	-	-
<b>Operating loss</b>	<b>(391)</b>	<b>(63)</b>	<b>(269)</b>
Finance income	-	-	-
<b>Loss before taxation</b>	<b>(391)</b>	<b>(63)</b>	<b>(269)</b>
Taxation	-	-	-
<b>(Loss) for the period attributable to equity holders of the parent</b>	<b>(391)</b>	<b>(63)</b>	<b>(269)</b>
<b>Other Comprehensive Income:</b>			
<i>Items that may be subsequently reclassified to profit or loss:</i>			
Transfers to income statement	<b>244</b>	-	-
Increase/(decrease) in value of available for sale asset	<b>(27)</b>	22	38
Total other comprehensive income	<b>217</b>	22	38
<b>Total comprehensive income for the period attributable to equity holders of the company</b>	<b>(174)</b>	<b>(41)</b>	<b>(231)</b>
<b>Loss per share</b>			
Earnings per share – basic and diluted (pence)	<b>(0.015)</b>	(0.005)	(0.020)

**Unaudited Condensed Company Statement of Financial Position  
as at 30 June 2017**

	As at 30 June 2017 Unaudited £'000	As at 30 June 2016 Unaudited £'000	As at 31 December 2016 Audited £'000
<b>Non-current assets</b>			
Available-for-sale financial assets	513	77	94
<b>Total non-current assets</b>	<b>513</b>	<b>77</b>	<b>94</b>
<b>Current assets</b>			
Trade and other receivables	37	25	41
Cash and bank balances	151	295	175
<b>Total current assets</b>	<b>188</b>	<b>320</b>	<b>216</b>
<b>Total assets</b>	<b>701</b>	<b>397</b>	<b>310</b>
<b>Current liabilities</b>			
Trade and other payables	(227)	(17)	(126)
<b>Total current liabilities</b>	<b>(227)</b>	<b>(17)</b>	<b>(126)</b>
<b>Net current assets</b>	<b>(39)</b>	<b>303</b>	<b>90</b>
<b>Net assets</b>	<b>474</b>	<b>380</b>	<b>184</b>
<b>Equity</b>			
Share capital	19,600	19,459	19,459
Share premium account	18,911	18,624	18,618
Share based payment reserve	62	63	63
Available-for-sale asset reserve	-	(233)	(217)
Retained deficit	(38,099)	(37,533)	(37,739)
<b>Equity attributable to equity holders of the parent</b>	<b>474</b>	<b>380</b>	<b>184</b>

**Unaudited Condensed Company Statement of Cash Flows  
for the six months ended 30 June 2017.**

	Six months ended 30 June 2017 Unaudited £'000	Six months ended 30 June 2016 Unaudited £'000	Year ended 31 December 2016 Audited £'000
<b>Net (loss) from operating activities</b>	(391)	(63)	(269)
Bad debt written off	-	-	1
Share based payments	30	-	-
Loss on disposal of available for sale asset	244	-	-
(Increase)/decrease in trade and other receivables	4	(12)	(28)
(Decrease)/increase in trade and other payables	101	(80)	29
<b>Net cash (outflow) from operating activities</b>	<b>(12)</b>	<b>(155)</b>	<b>(267)</b>
<b>Investing activities</b>			
Purchase of available for sale financial assets	(513)	(4)	(4)
Proceeds from disposal of available-for-sale financial assets	67	-	-
<b>Net cash inflow from investing activities</b>	<b>(446)</b>	<b>(4)</b>	<b>(4)</b>
<b>Financing activities</b>			
Issue of share capital	495	256	255
Issue costs	(61)	(9)	(16)
<b>Net cash inflow from Financing activities</b>	<b>434</b>	<b>247</b>	<b>239</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(24)</b>	<b>88</b>	<b>(32)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>175</b>	<b>207</b>	<b>207</b>
<b>Cash and cash equivalents at end of period</b>	<b>151</b>	<b>295</b>	<b>175</b>

**Unaudited Condensed Company Statement of Changes in Equity  
for the six months ended 30 June 2017.**

	Share capital	Share premium	Share based payment reserve	Available for sale asset reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Shares issued	64	191	-	-	-	255
Share issue costs	-	(14)	-	-	-	(14)
<b>Total contributions by and distributions to owners of the Company</b>	<b>64</b>	<b>177</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>241</b>
<hr/>						
<b>Comprehensive Income for the year</b>						
Increase in value of available for sale assets	-	-	-	38	-	38
Loss for the year	-	-	-	-	(269)	(269)
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>(269)</b>	<b>(231)</b>
<b>At 31 December 2016</b>	<b>19,459</b>	<b>18,618</b>	<b>63</b>	<b>(217)</b>	<b>(37,739)</b>	<b>184</b>
<hr/>						
Shares issued	141	354	-	-	-	495
Share issue costs	-	(61)	-	-	-	(61)
Share based payment charge	-	-	30	-	-	30
Share options cancelled	-	-	(31)	-	31	-
<b>Total contributions by and distributions to owners of the Company</b>	<b>141</b>	<b>293</b>	<b>(1)</b>	<b>-</b>	<b>31</b>	<b>464+</b>
<hr/>						
<b>Comprehensive Income for the year</b>						
(Loss) for the year	-	-	-	-	(391)	(391)
Decrease in value of available for sale assets	-	-	-	(27)	-	(27)
Transfer to income statement	-	-	-	244	-	244
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217</b>	<b>(391)</b>	<b>(174)</b>
<b>At 30 June 2017</b>	<b>19,600</b>	<b>18,911</b>	<b>62</b>	<b>-</b>	<b>(38,099)</b>	<b>474</b>

Decrease

**Notes to the Unaudited Condensed Company Financial Statements  
for the six months ended 30 June 2017**

**1. General Information**

The condensed financial information for the 6 months to 30 June 2017 does not constitute statutory accounts for the purposes of Section 434 of the Companies Act 2006 and has not been audited or reviewed. No statutory accounts for the period have been delivered to the Registrar of Companies.

The condensed financial information in respect of the year ended 31 December 2016 has been produced using extracts from the statutory accounts for that period. Consequently, this does not constitute the statutory information (as defined in section 434 of the Companies Act 2006) for the year ended 31 December 2016, which was audited. The statutory accounts for this period have been filed with the Registrar of Companies. The auditors' report was unqualified and did not contain a statement under Sections 498 (2) or 498 (3) of the Companies Act 2006.

The Report was approved by the Directors on 21 September 2017 and will be available shortly on the Company's website at [www.polemos.co.uk](http://www.polemos.co.uk).

**Basis of preparation**

The financial information has been prepared on the historical cost basis. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement. This statement also includes a summary of the Company's financial position and its cash flows.

**Basis of accounting**

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union with the exception of International Accounting Standard ('IAS') 34 – Interim Financial Reporting. Accordingly the interim financial statements do not include all of the information or disclosures required in the annual financial statements and should be read in conjunction with the Company's 2016 annual financial statements.

**2. Loss per share**

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. In accordance with IAS 33, as the Company has reported a loss for the period, diluted earnings per share are not included. A reconciliation is set out below:

Basic and diluted loss per share is calculated on the loss of the Company attributable to equity holders of the parent.

	6 months to 30 June 2017 Unaudited £'000	6 months to 30 June 2016 Unaudited £'000	Year ended 31 December 2016 Audited £'000
(Loss) attributable to equity holders of the Company	(391)	(63)	(269)
Number of Shares	000's	000's	000's
Weighted average number of ordinary shares (thousands)	2,579,261	1,246,385	1,375,705
(Loss) per share – basic and diluted	(0.015p)	(0.005p)	(0.020)p

**3. Events after the end of the reporting period**

On 18 July 2017, the Company announced that it has issued 2,177,777,778 Ordinary Shares of 0.01 pence each at a price of 0.0225 pence per Ordinary Share together with a Director's subscription of 44,444,444 Ordinary Shares to raise in aggregate gross proceeds of £500,000