



Bermele PLC

Half-year Report

RNS Number : 8723R
 Bermele PLC
 31 October 2019

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For Immediate Release

31 October 2019

Bermele Plc
 ("Bermele" or "the Company")

Half Year Report

The directors present the interim results for Bermele PLC for the period from 1 February 2019 to 31 July 2019.

During the financial period, the Company reported a net loss of £292,384, reflecting a number of one-off costs associated with the Admission to trading on the Standard List. As at 31 July 2019, the Company had cash in bank balance of £681,820.

The Board continues to review and seek acquisition opportunities within the sector. The Company is currently in discussion regarding two separate potential acquisition opportunities, having dismissed a number of potential transactions which did not fit the mandate of delivering a material inflection point of value for shareholders and demonstrating a significant proprietary Intellectual Property (IP) position. The Board looks forward to progressing its discussions and providing further updates to shareholders in due course.

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BERMELE PLC
Company No. 10973102
Directors' Report for the Period 1 February 2019 to 31 July 2019

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The directors who held office during the period were as follows:

Mr Toby Hayward
 Dr Susan Thompson
 Mr Derek Ward
 Mr Anthony Henry Reeves (appointed 13 August 2019)

Mr Toby Hayward
31/10/2019

BERMELE PLC
Interim Management Report
For the Period 1 February 2019 to 31 July 2019

Privacy

The Company has been formed for the purpose of acquiring a business or businesses operating in the pharmaceutical and and biotechnology sectors. The acquisition of either the assets or the share capital of a target company, will be treated as a reverse Takeover and in order to maintain it's listing the enlarged group, would be required to apply to have its shares readmitted to the Official List and trading on the Main Market of the London Stock Exchange.

The Company's determinations in identifying a prospective target company or acquisition in the pharmaceutical and biotechnology sectors will not be limited to a specific geographic region.

Business strategy and execution

The directors believe that technological advancements and discoveries in the pharmaceutical and biotechnology sectors are growing. The opportunity exists to acquire an existing company with significant intellectual property in the pharmaceutical and biotechnology sectors since technological advances enable the development of new products and services to seek to prevent, diagnose and treat a multitude of conditions.

The Company will look to acquire a target company that possesses proprietary technologies as well as components of contemporary diagnostic, prevention and treatment development.

Opportunities may be derived from research centres, corporate entities and start-up companies. The Company will look to select, develop and commercialise promising technologies to a level at which the technology becomes attractive to institutional investors or pharmaceutical and biotechnology companies.

Investment Criteria

The Company will look at acquisition opportunities using the following initial assessment criteria to define its current view on the business strategy in acquiring a target company.

Opportunities meeting the following criteria would be eligible for further evaluation:

- Fit within the focus area of the pharmaceutical and biotechnology sector
- Sustainable technological advantage
- Above average business potential
- Sound intellectual property protection or potential for patenting
- Clearly definable milestones for development
- Scientists commitment and dedication

It is possible the Board may consider acquisitions that do not conform to all of the above framework. However in all cases, opportunities should offer the ability for the shareholders of the Company to benefit from an acquisition through increased shareholder value (measured in terms of profitability, dividend income or increased share price) in the medium to long term.

Failure to make an acquisition

The Company will update shareholders on the Company's progress via a regulatory information service as required and specifically by way of an annual general meeting.

Should an acquisition not be announced by the second anniversary of admission then the Company will hold a second general meeting to review the future of the Company as a special acquisition vehicle. At the general meeting the Board will seek the approval of the shareholders by simple majority to either return any remaining funds to shareholders or continue to look for acquisition targets. In the event that it is decided to return the remaining funds to shareholders it is unlikely that the funds returned will be equal to any original investment made.

Key events

At the period end the Company had cash of approximately £681,000 and, following a number of one-off listing costs, continues to keep administrative costs to a minimum so that the majority of funds can be dedicated to the review of and potentially investment in

BERMELE PLC Interim Management Report For the Period 1 February 2019 to 31 July 2019

Corporate governance

In order to implement its business strategy, the Company has adopted a corporate governance structure as follows:

- consistent with the rules applicable to companies with a Standard Listing, unless required by law or other regulatory process, Shareholder approval is not required in order for the Company to complete the Acquisition. The Company will, however, be required to obtain the approval of the Board before it may complete the Acquisition;
- the Board intends to comply, in all material respects, with certain Main Principles of the UK Corporate Governance Code (as set out in more detail in "Part II - The Company, its Board and the Acquisition Structure") and has adopted a share dealing code that complies with the requirements of the Market Abuse Regulations. All persons discharging management responsibilities (comprising only the Directors at the date of this Document) shall comply with the share dealing code from the date of Admission; and
- following the Acquisition, the Directors may seek to transfer the Company from a Standard Listing to either a Premium Listing or other appropriate listing venue, based on the track record of the company or business it acquires, subject to fulfilling the relevant eligibility criteria at the time. If the Company is successful in obtaining a Premium Listing, further rules will apply to the Company under the Listing Rules and Disclosure and Transparency Rules and the Company will be obliged to comply with or explain any derogation from the UK Corporate Governance Code. In addition to, or in lieu of, a Premium Listing, the Company may determine to seek a listing on another stock exchange or seek re-admission to a Standard Listing.

BERMELE PLC Condensed Statement of Comprehensive Income For the Period 1 February 2019 to 31 July 2019

	Period to 31 July 2019	Period to 31 January 2019
	£	£
Administrative expenses	(292,384)	(112,353)
OPERATING LOSS	(292,384)	(112,353)
Interest payable and similar charges	-	(84)
LOSS FOR THE FINANCIAL PERIOD	(292,384)	(112,437)

The notes on page 7 form part of these financial statements.

BERMELE PLC
Condensed Statement of Financial Position
As at 31 July 2019

	Notes	Period to 31 July 2019		Period to 31 January 2019	
		£	£	£	£
CURRENT ASSETS					
Debtors	3	13,976		1,337	
Cash at bank and in hand		681,820		8,828	
		695,796		10,165	
Creditors: Amounts Falling Due Within One Year	4	(617)		(22,601)	
NET CURRENT ASSETS (LIABILITIES)			695,179		(12,436)
TOTAL ASSETS LESS CURRENT LIABILITIES			695,179		(12,436)
NET ASSETS			695,179		(12,436)
CAPITAL AND RESERVES					
Called up Share Capital	5		200,000		100,001
Share Premium Account			900,000		-
Profit and Loss Account			(404,821)		(112,437)
SHAREHOLDERS' FUNDS			695,179		(12,436)

BERMELE PLC
Condensed Statement of Changes in Equity
For the Period 1 February 2019 to 31 July 2019

	Share Capital	Share Premium	Income Statement	Total
	£	£	£	£
As at 31 January 2019	100,001		(112,437)	(12,436)
Loss for the Interim Period			<u>(292,384)</u>	<u>(292,384)</u>
Additional issue of shares	<u>99,999</u>	<u>900,000</u>		<u>999,999</u>
As at 31 July 2019	<u>200,000</u>	<u>900,000</u>	<u>(404,821)</u>	<u>695,179</u>

BERMELE PLC
Condensed Statement of Cash Flow Forecast
For the Period 1 February 2019 to 31 July 2019

The condensed statement of cash flows of the Company for the period from 1 February 2019 to 31 July 2019 is as follows:

	Period ended 31 July 2019	Period ended 31 January 2019 £
Cash flows from operations		
Loss for the period	(292,384)	(112,437)
Decrease in trade payables	(21,984)	22,509
Increase in Receivables	(12,639)	(1,337)
Cash flows from financing activities	(327,007)	(91,173)
Proceeds from issue of share capital/Ordinary Shares to be issued	999,999	100,001
Net cash flow in the period	672,992	8,828
<i>Cash and cash equivalents at the beginning of the period</i>	8,828	-
Cash and cash equivalents at the end of the period	681,820	8,828

BERMELE PLC
Notes to the Condensed Financial Statements
For the Period 1 February 2019 to 31 July 2019

1. General Information

The Company was incorporated on 20 September 2017 as a Public Limited Company. The Company's Ordinary shares are currently admitted to a standard listing on the Official List and to trading on the London Stock Exchange. The Company's nature of operations is to act as a special purpose acquisition company.

1.1. Basis of Preparation of Financial Statements

The interim condensed unaudited financial statements for the period ended 31 July 2019 have been prepared in accordance with the accounting policies and basis of preparation used in Part (B) of part III of the company's prospectus published on 26 April 2019 and with IAS 34 Interim Financial Reporting. The results for the period ended 31 July 2019 are unaudited.

The condensed unaudited financial statements for the period ended 31 July 2019 has been prepared on a basis consistent with, and on the basis of, the accounting policies set out in the financial information of the companies

The financial information of the Company is presented in British Pound Sterling ("£").

Standards and interpretations issued but not yet applied

At the date of authorisation of this financial information, the directors have reviewed the Standards in issue by the International Accounting Standards Board ("IASB") and IFRIC, which are effective for annual accounting periods ending on or after the stated effective date. In their view, none of these standards would have a material impact on the financial reporting of the company.

1.2. Going Concern

The financial statements have been prepared using the going concern basis of accounting. Which assumes that the Company will continue to be able to meet its liabilities as they fall due for the foreseeable future

1.3 Financial Instruments

Financial instruments financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

1.4 Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.5 Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

1.6 Taxation

The tax currently payable is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided for using the liability method on temporary timing differences at the balance sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised in full for all temporary differences. Deferred income tax assets are recognised for all deductible temporary differences carried forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, and carry forward of unused tax credits and unused losses can be utilised.

The carrying amount of deferred income tax assets is assessed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that future taxable profits will allow the deferred income tax asset to be recovered.

BERMELE PLC Notes to the Condensed Financial Statements For the Period 1 February 2019 to 31 July 2019

1.7 Employee Benefits

All employee benefits are measured at the present value of the benefit obligation at the reporting date.

1.8 Warrants

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure to settle company's obligation.

1.9 Operating Segments

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure to settle company's obligation.

2. Administrative Expenditure

Audit & Accountancy fees	14,100
Consultancy Fees	9,000
Payroll & staff costs	55,905
Legal fees	1,500
Listing Fees	189,040
Other administrative expenses	22,839
	<u>292,384</u>

Within Administrative expenses, the company incurred one-off listing fees of £ 189,040, this included expenses paid for legal, advisory & regulatory fees.

3. Debtors

	Period to 31 July 2019	Period to 31 January 2019
	£	£
Due within one year		
Prepayments and accrued income	-	1,337
VAT	13,976	-
	<u>13,976</u>	<u>1,337</u>

4. Creditors: Amounts Falling Due Within One Year

	Period to 31 July 2019	Period to 31 January 2019
	£	£
Trade creditors	617	22,601
	<u>617</u>	<u>22,601</u>

BERMELE PLC
Notes to the Condensed Financial Statements
For the Period 1 February 2019 to 31 July 2019

5. Share Capital

	Period to 31 July 2019	Period to 31 January 2019
Allotted, Called up and fully paid	<u>200,000</u>	<u>100,001</u>
As at 31 January 2019	100,001	
Issue of capital	99,999	
As at 31 July 2019	<u>200,000</u>	

The Company was incorporated on 20 September 2017. On incorporation, 10,000,000 Ordinary Shares were issued at the par value of £0.001 each.

On 25 July 2018, the Company issued a further 90,000,000 Ordinary Shares at a par value of £0.001 each.

A further 99,999,999 Ordinary Shares were issued on listing at 9 May 2019.

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