Strictly Embargoed until 07.00: 12 September 2017

TyraTech, Inc.
("TyraTech" or the "Company")

Interim Results for the Six Months Ended 30 June 2017

TyraTech Inc. (AIM: TYR, and TYRU), a life sciences company focused on nature-derived insect and parasite control products, today announces its interim results for the six-month period ended 30 June 2017.

Operational Highlights

- Head lice category recovering growth in the US
- Vamousse® same store sales in the US outpacing category growth
- Launch of Vamousse Lice Repellent with CVS and Meijer in the US
- Secured distribution of Guardian® in over 600 Kroger stores in the US and launched with Amazon.com, Inc. in the UK
- Full launch of OutSmart® equine fly repellent with partner SmartPak
- A major global consumer goods company chose TyraTech's technology for home pest control products to be commercialized with Envance Technologies

Financial Highlights

- Total gross revenue for the six-month period to 30 June 2017 was $4.3 million (2016: $4.1 million)
- Gross product sales increased 5% to $4.2 million (2016: $4.0 million)
- Net product sales were $3.6 million an increase of 12% over the corresponding period (2016: $3.2 million)
- Gross profit increased 13% to $2.5 million (2016: $2.2 million)
- Overall operating expenses decreased for the six-month period to $3.2 million (2016: $3.8 million
- Loss from operations more than halved at $0.7 million (2016: $1.5 million)
- Net loss of $0.3 million after gain on related party sale of intellectual property (IP) to Envance Technologies (2016: $1.5 million)
- Cash and cash equivalents were $1.3 million (30 June 2016: $2.1 million, 31 December 2016: $1.8 million)

Post Period End

- Cash and cash equivalents enhanced by the receipt of $0.5 million from the sale of IP to Envance Technologies
- Launch of a new PureScience™ product for the poultry and swine markets in the US

Commenting on the results José Barella, Non-Executive Chairman said:

"Overall the Company performed well in the first half of 2017. Against a background of a general recovery in the US head lice market from the natural variability experienced in 2016, our Vamousse product range continued to outpace the category and gain market share in the US where we concentrated our marketing efforts."

With regards to the strategic review, he added:
"We continue to work on our strategic review. Our focus remains to unlock the full value of the business for shareholders. The process is progressing well and we intend to provide a full update to the market once we have reached concrete conclusions as to the best outcome for all our shareholders."

Commenting on the outlook Bruno Jactel, CEO added:

"For the full year 2017, it is expected that the Company will show a significant reduction of its net losses when compared with last year. This will be achieved through a combination of sales growth and tight control of operational expenses, together with the sale of IP to Envance.

Looking to 2018, we have hopes of further increasing the distribution for our Vamousse range of products in the US.

We also note with great interest the recent issues regarding the use of unauthorized insecticides to control red mites in poultry facilities in Europe and the resulting effects on egg production. We believe that our pesticide-free products deliver competitive efficacy against the red mite, which is a major problem in Europe. We have already initiated field studies in France and plan to progress this opportunity as quickly as resources and the regulatory situation permit."

For further information:

TyraTech Inc.	
Bruno Jactel, Chief Executive Officer	Tel: +1 919 415 4340
Erica H. Boisvert, Chief Financial Officer	Tel: +1 919 415 4287
www.tyratech.com	
SPARK Advisory Partners Limited (Nominated Adviser)	
Matt Davis / Mark Brady	Tel: +44 20 3368 3551
Allenby Capital Limited (Joint Broker)	
Chris Crawford	Tel: +44 20 3328 5656
Belvedere Communications (PR)	
John West / Kim van Beeck	Tel: +44 20 3567 0510

Chairman's Statement

Overall the Company performed well in the first half of 2017 with successes for each of the brands.

Against a background of a general recovery in the US head lice market from the natural variability experienced in 2016, our Vamousse product range continued to outpace the category and gain market share in the US where we concentrated our marketing efforts.

Our Guardian DEET-free personal insect repellent achieved its first significant placement in over 600 Kroger stores in the US. In the UK, Guardian was launched online at www.amazon.co.uk with strong reviews.

The PureScience range of animal health products targeting poultry production operations also made good progress from a small base with limited marketing support.

The re-formulated Outsmart equine fly repellent has been well received by customers and is on course to exceed our partner, SmartPak's, expectations for the year.

We set out to carefully control costs and manage our cash resources while still allowing the business to progress, albeit at a slower rate. This strategy has been successful, and our cash position ($1.3 million at the half-year end) has been further enhanced by the receipt of $0.5 million for the sale of IP to Envance Technologies LLC, our Joint Venture with American Vanguard Corporation (AMVAC) subsequent to our half year end. As previously announced, Envance also had a major success in the licensing of our joint IP to one of the largest global consumer products corporations for the development and commercialisation of a range of household pest control products. This is a significant milestone for the Company. This validates TyraTech's technology and the value of the R&D know-how. This agreement can be an enabler to create new products also for animal health through new joint IP development.

We also announced in May the initial conclusions of the strategic review that had been implemented by the Board in February, which determined that shareholder value would be best delivered by dividing the Company's IP and products into two separate entities based on human health and animal health. Whilst recognising that the animal health business ultimately offers the larger opportunities, it will require significant further investment. The human health business has well-established products and distribution, but has an opportunity to grow through geographical expansion and market share with greater marketing investment.

We continue to work on our strategic review. Our focus remains to unlock the full value of the business for shareholders. The process is progressing well and we intend to provide a full update to the market once we have reached concrete conclusions as to the best outcome for all our shareholders.

We believe that both aspects of our business can continue to develop. There are good prospects for increased distribution for Vamousse in the US next year. Recent publicity exemplifies the real need for effective and safe solutions worldwide to the problem of red mites in poultry facilities in Europe, where we currently have trials underway, following the prosecutions for illegal use of synthetic pesticides in egg production units. This issue illustrates exactly the problems our products are designed to address and reinforces our confidence in the potential for our technology.

José Barella
Non-executive Chairman

11 September 2017

Chief Executive Officer's Statement

Overview

The year began strongly with double-digit net sales growth, an improvement in net product margin, and over 50% reduction of the loss from operations as compared with the first half of 2016. This was further enhanced by the sale of IP to Envance Technologies LLC (our joint venture with AMVAC) which resulted in a net loss before and after tax of $0.3 million compared to $1.5 million net loss before and after tax in the first half of 2016.

The Company has pursued a dual strategy of growing existing business whilst conducting the previously announced strategic review, and solid progress has been made on both fronts.

Operational Review

A delicate balance had to be reached between growing the existing business segments and controlling costs to ensure that we had sufficient resources to implement the business strategy.

For Vamousse, we decided to focus our marketing and commercial resources on the US market and reduce investment in other geographies, most notably the UK. This decision resulted in Vamousse growing in the larger US market, outpacing the category and accelerating its upward trajectory in the last months of the semester. Correspondingly, as expected, it resulted in a slowdown of Vamousse sales in the UK.

The head lice category in the US recovered in the first half of 2017 compared to the first half of 2016 when the head lice market had declined, probably due to biological, cyclical variation. In addition, the performance of the shampoo in the US exceeded expectations, giving an important indication that the prevention market has some strong growth potential. This has reinforced our belief that the Company's products could capture a significant portion of this daily-use market, given that they lead the way in terms of efficacy and safety. The trend was further confirmed by the placing of Vamousse Lice Repellent at CVS and Meijer, both major retailers in the US. This product is specifically designed for proactive families who want to protect their children everyday against catching lice.

By contrast, and mainly because the Company decided not to run a TV campaign in the UK during the first half of the year, the performance of Vamousse in the UK was lower than last year. However, given that sales of Vamousse are very sensitive to marketing expenditures, the Board believes that the performance of the product can recover its growth if we commit to future higher direct to consumer spending.

For the first time, Guardian, the DEET-free mosquito and tick repellent, achieved retail distribution. Kroger, the largest grocery chain by retail sales in the US, accepted the product in over 600 stores in the southern half of the US, and sales, though modest, are exceeding the Company's expectations.

Significant progress, albeit supported by limited commercial and marketing investment, has also been made with PureScience products for production animals. The products are sold in a significant number of production facilities in the poultry and swine industry, with some of the largest producers in the US. The feedback from the customers is very positive which lays the foundation for future growth.

Our partner, SmartPak, fully launched OutSmart, the equine fly repellent, for the fly season. Customer satisfaction is high and sales are on track to exceed our partner's expectations for this launch year.

At the end of the period, the Company announced that Envance Technologies LLC had entered a Joint Development and License Agreement with a major global consumer products company to develop and commercialise a range of pest control household products based on TyraTech's nature-derived technologies. In addition to the potential financial benefit from collaborative revenues and royalties, TyraTech will more importantly benefit from access to the new IP created by this agreement for use in its own fields (human health and animal health).

Strategic Review

As well as focusing on ongoing operations, the Company has been conducting a comprehensive strategic review of its assets and growth options. The Board announced in May that it was intending to divide the Company's intellectual property and products into two separate entities, focused on human health and animal health respectively. A more detailed update will be given to shareholders in due course and it is expected that the reorganization of the Company will be completed by the end of the year.

Outlook

For the full year 2017, it is expected that the Company will show a significant reduction of its net losses when compared with last year. This will be achieved through a combination of sales growth and tight control of operational expenses, together with the sale of IP to Envance. The sale to Envance has also provided the Company with an upfront payment of $500,000, received subsequent to the half year-end.

Looking to 2018, we have hopes of further increasing the distribution for our Vamousse range of products in the US. We also note with great interest the recent issues regarding the use of unauthorized insecticides to control red mites in poultry facilities in Europe and the resulting effects on egg production. We believe that our pesticide-free products deliver competitive efficacy against the red mite, which is a major problem in Europe. We have already initiated field studies in France and plan to progress this opportunity as quickly as resources and the regulatory situation permit.

Bruno Jactel
Chief Executive Officer
11 September 2017

Financial Review

Revenue

Total gross revenue for the six-month period to 30 June 2017 was $4.3 million (2016: $4.1 million). Gross product sales were $4.2 million of which $3.7 million were sales in the US and $0.5 million in the UK. Other EU countries contributed $26,000 in the period (2016: $4.0 million; $3.1 million US, $0.8 million in the UK, and $37,000 other EU countries), with net product sales of $3.6 million (2016: $3.2 million). Collaborative revenue decreased slightly to $112,000 (2016: $164,000). Collaborative revenue includes upfront license fee amortisation and cost reimbursement from our Envance Technologies agreements. Prior year collaborative revenue included the Mondelez Global (Kraft) agreement which ended in the second half of 2016.

Cost of sales and gross profit

Material and manufacturing costs for product sales were $1.2 million (2016: $1.1 million) and costs related to collaborative revenue decreased slightly to $46,000 (2016: $56,000). Gross profit increased to $2.5 million, with a margin on net revenue of 67% (2016: $2.2 million and 66%). Margin on net product sales was 68% (2016: 66%).

Operating expenses

Overall operating expenses from continuing operations decreased in the six-month period to $3.2 million (2016: $3.8 million). This is primarily related to a decrease in UK marketing costs and administrative costs. Operating expenses for the six months included non-cash equity compensation of $0.1 million (2016: $0.1 million) and depreciation and amortisation of $38,000 (2016: $18,000).

Loss for the period

Operating loss for the half year reduced by $0.8 million to $0.7 million (2016: $1.5 million). Net loss after tax reduced to $0.3 million with the first half of 2017 benefitting from a gain of $0.5 million on the sale of IP to Envance Technologies.

Liquidity and cash flow

Cash used in operations for the period was $0.3 million compared to $1.7 million in the first half of 2016, a $1.4 million decrease from the first half of 2016. This decrease in cash used in operations is primarily due to controlling operating costs and the increase in gross profit coupled with more efficient use of working capital. There were no sales of common stock in the periods ended 2017 and 2016 and the Company currently has no committed external source of funds.

Based on the Company's existing cash and cash equivalents ($1.3 million at 30 June 2017) enhanced by the receipt of $0.5 million from the sale of IP to Envance Technologies subsequent to the half year-end, its current operating plans, anticipated revenues from product sales, technology licensing agreements, and collaborative arrangements, and the ability to control costs, the Company's forecasts indicate that it will have sufficient cash resources for at least the next twelve months from the date of this release.

The Company invests its cash resources in deposits with banks with the highest credit ratings, putting security before absolute levels of return.

Erica H. Boisvert
Chief Financial Officer
11 September 2017

TYRATECH, INC.

Consolidated Statements of Operations and Comprehensive Loss

in $000's

	(Unaudited) six months ended **30-Jun-17**	(Unaudited) six months ended **30-Jun-16**	(Audited) year ended **31-Dec-16**
Gross revenue:			
Product	$ 4,225	$ 3,977	$ 8,026
Collaborative	112	164	333
Total gross revenue	4,337	4,141	8,359
Less: sales discounts, returns, and allowances	577	731	1,142
Total net revenue	3,760	3,410	7,217
Cost of revenue:			
Product	1,180	1,106	2,266
Collaborative	46	56	129
Total cost of revenue	1,226	1,162	2,395
Gross profit	2,534	2,248	4,822
Costs and expenses:			
General and administrative	1,504	1,681	3,079
Business development	1,157	1,468	2,848
Research and development	584	617	1,204
Total costs and expenses	3,245	3,766	7,131
Loss from operations	(711)	(1,518)	(2,309)
Other income (expense):			
Other income	1	-	30
Gain on related party sale of IP	456	-	-
Total other income	457	-	30
Loss before income taxes	(254)	(1,518)	(2,279)
Income tax expense	-	-	-
Net loss	$ (254)	$ (1,518)	$ (2,279)
Other comprehensive loss:			
Foreign currency translation gain (loss)	23	(78)	(121)
Comprehensive loss	$ (231)	$ (1,596)	$ (2,400)
Net loss per common share			
Basic and diluted	($0.00)	($0.00)	($0.01)
Weighted average number of common shares (000's)			

Basic and diluted	366,582	366,582	366,582

The accompanying notes are an integral part of these consolidated financial statements.

TYRATECH, INC.
Consolidated Balance Sheets
in $000's

	(Unaudited) six months ended 30-Jun-17	(Unaudited) six months ended 30-Jun-16	(Audited) year ended 31-Dec-16
ASSETS			
Current assets			
Cash and cash equivalents	$ 1,321	$ 2,091	$ 1,755
Accounts receivable	1,114	1,324	985
Related party receivable	500	-	-
Inventory	990	1,386	988
Prepaid expenses	143	205	162
Total current assets	4,068	5,006	3,890
Property and equipment, net of accumulated depreciation	19	21	23
Intangible assets	391	161	300
Long term deposits	69	69	69
Total assets	4,547	5,257	4,282
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable	924	686	742
Accrued liabilities	833	900	501
Deferred revenue	221	215	298
Total current liabilities	1,978	1,801	1,541
Deferred revenue and other long-term liabilities	20	20	20
Total liabilities	1,998	1,821	1,561
Shareholders' equity			
Common stock, at $0.001 par authorized 480 million; 367.7 million shares issued, 366.6 million shares outstanding (30 June 2016: Common stock, at $0.001 par authorized 480 million; 367.7 million shares issued, 366.6 million shares outstanding)	367	367	367
Additional paid in capital	92,112	91,964	92,053
Accumulated deficit	(89,714)	(88,699)	(89,460)
Accumulated other comprehensive income	(103)	(83)	(126)
Treasury stock of 1.1 million shares (2016: 1.1 million shares)	(108)	(108)	(108)
Total Tyratech, Inc. shareholders’ equity	2,554	3,441	2,726
Non-controlling interest	(5)	(5)	(5)
Total shareholders' equity	2,549	3,436	2,721
Total liabilities & shareholders' equity	$ 4,547	$ 5,257	$ 4,282

The accompanying notes are an integral part of these consolidated financial statements.

TYRATECH, INC.
Consolidated Statements of Cash Flows
Six months ended 30 June 2017 and 2016
in $000's

	(Unaudited) six months ended **30-Jun-17**	(Unaudited) six months ended **30-Jun-16**	(Audited) year ended **31-Dec-16**
Cash flows from operating activities:			
Net loss	$ (254)	$ (1,518)	$ (2,279)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	4	12	17
Amortisation of intangible assets	47	6	56
Amortisation of stock awards	59	68	157
Gain on related party sale of IP	(456)	-	-
Changes in operating assets and liabilities:			
Accounts receivable	(129)	(207)	132
Inventory	(2)	(557)	(159)
Prepaid expenses and long-term deposits	19	13	56
Accounts payable and accrued liabilities	514	290	(52)
Deferred revenue and other long-term liabilities	(77)	145	228
Net cash used in operating activities	(275)	(1,748)	(1,844)
Cash flows from investing activities:			
Intangible asset acquisition costs	(182)	(38)	(227)
Purchase of property and equipment	-	-	(8)
Net cash used in investing activities	(182)	(38)	(235)
Net decrease in cash	(457)	(1,786)	(2,079)
Cash and cash equivalents, beginning of the period	1,755	3,955	3,955
Accumulated other comprehensive income (loss)	23	(78)	(121)
Cash and cash equivalents, end of the period	$ 1,321	$ 2,091	$ 1,755

Supplemental disclosure of Non-cash Activities			
Related party receivable on sale of IP	500		

The accompanying notes are an integral part of these consolidated financial statements.

Notes

1. Basis of Preparation

These interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”), references to U.S. GAAP issued by the Financial Accounting Standards Board (“FASB”) in the Company’s notes to its interim consolidated financial statements are to the FASB Accounting Standards Codification, sometimes referred to as the “Codification” or “ASC”. They do not include all disclosures that would otherwise be required in a complete set of financial statements and the interim consolidated financial information should be read in conjunction with the audited annual financial statements for the year ended December 31, 2016.

The independent Auditors’ Report on that Annual Report and Financial Statements for the year ended 31st December 2016 was unqualified and did not did not draw attention to any matters by way of emphasis. The financial information for the six-month periods ended June 30, 2017 and June 30, 2016 is unaudited.

The same accounting policies, presentation and methods of computation are followed in these interim condensed consolidated financial information as were applied in the Group’s 2016 annual audited financial statements. In addition, the FASB have issued a number of recent accounting pronouncements. It is not expected that any of these will have a material impact on the Group. The Board of Directors approved this interim report on 11 September 2017.

2. Liquidity and Capital Resources

At 30 June 2017 the Company had $1.3 million (30 June 2016: $2.1 million, 31 December 2016: $1.8 million) in cash and cash equivalents and no indebtedness. The Company currently has no committed external source of funds.

The Company’s operations have been funded through a combination of common stock issuances, product sales, collaborative arrangements, and proceeds from technology licensing agreements.

The Company’s future capital requirements will depend on many factors. For example, i) the level of product sales of the Company’s currently marketed products and any additional products that may be marketed in the future; ii) the scope, progress, results, and costs of development activities for current product candidates; iii) the costs of commercialisation activities including product marketing, sales, and distribution; and iv) the costs of preparing, filing, and prosecuting patent applications and maintaining, enforcing, and defending claims to intellectual property.

Based on the Company’s existing cash, its current operating plans, anticipated revenues from product sales, technology licensing agreements, and collaborative arrangements, and the ability to control costs, the Company’s forecasts indicate that it will have sufficient cash resources for at least the next twelve months.

3. Envance Technologies, LLC

The Company accounts for its investment in Envance using the equity method of accounting. In 2013, the Company's investment in Envance was reduced from $0.4 million to zero and the equity method was suspended. As of 30 June 2017, the Company's inception to date investment loss in Envance is $1.2 million (June 30, 2016: $1.3 million, 31 December 2016: $1.4 million). As of June 30, 2017 the Company's share of Envance net losses not recognized was $0.6 million (June 30, 2016: $0.7 million, December 31, 2016: $0.8 million).

4. SARs Issuance

Total SARs expense recognized for the six months ended 30 June 2017 was approximately $59,000 (30 June 2016: $68,000, 31 December 2016: $157,000). During 2016, the Company issued 5,345,000 Stock Appreciation Rights (SARs) to various employees and a non-executive director.

5. Subsequent Events

In July 2017, the July 2014 warrants expired, with all shares remaining unexercised as of the expiration date.

We have evaluated all events and transactions through 11 September 2017, the date the consolidated financial statements were available to be issued. Based on such evaluation, no other events have occurred that in the opinion of management warrant disclosure in or adjustment to the consolidated financial statements.

6. Cautionary statement

This Interim Report has been prepared solely to provide additional information to shareholders to assess the Company's strategies and the potential for these strategies to succeed. The Interim Report should not be relied on by any other party or for any other purpose. The Interim Report contains certain forward-looking statements with respect to the financial condition, results of operations and businesses of the Company. These statements are made in good faith based on the information available to them up to the time of their approval of this report. However, such statements should be treated with caution as they involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. The continuing uncertainty in global economic outlook inevitably increases the economic and business risks to which the Company is exposed. Nothing in this announcement should be construed as a profit forecast.