

AUCTUS GROWTH PLC ('Auctus', the 'Company')

INTERIM REPORT AND UNAUDITED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2019

CHAIRMAN'S STATEMENT

Dear Shareholder,

I present the Chairman's report for the financial period ending 30 June 2019, where the Company reported a net loss of £19,388 (0.73p per share) and as at 30 June 2019 had liquid cash balances of £911,712.

Within the Chairman's Statement accompanying the full year accounts ending 31 December 2018, I referred to a potential transaction that was under due diligence at that time. Unfortunately, I am disappointed to report that this transaction could not be concluded principally due to disagreement over the valuation as well as over some other key terms.

The harsh reality is that in a competitive marketplace either the quality of opportunities being introduced or the lack finance attached to deals has led to a number of failed processes which has been very frustrating and disappointing for management and shareholders alike.

However, the Board continues to actively evaluate a number a potential transactions across a variety of different sectors. At this time no formal agreement has been entered into by the Company however the Board remains focused on delivering a transaction that brings both value and growth potential to the Shareholders of Auctus Growth in the near term.

Costs continue to be prudently monitored and are in line with the previously announced budget of £50,000 per annum (the majority of which is comprised of FCA costs, audit and registrar costs.) The Directors continue to draw no salary or fees from the Company.

Finally, the Board would like to thank Shareholders for their continued patience and support. Further updates will be provided in due course in regard to the future plans for the Company.

Malcolm Burne
Chairman

Date: 11 October 2019

CHAIRMAN'S STATEMENT

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

	1.1.9 to 30.6.19 (unaudited) £	1.1.18 to 30.6.18 (unaudited) £	Year ended 31.12.18 (audited) £
NET TRADING INCOME	-	-	-
-			
Other operating expenses	(19,388)	(16,459)	(47,708)
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Total operating expenses	(19,388)	(12,573)	(47,708)
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OPERATING LOSS	(19,388)	(12,573)	(47,708)
Finance income	-	-	-
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LOSS BEFORE TAXATION	(19,388)	(12,573)	(12,573)
Income tax expense	-	-	-
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LOSS FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(19,388)	(12,573)	(47,708)
	=====	=====	=====
Earnings per share (pence) – basic and fully diluted	(0.73)p	(0.47)p	(1.79p)
	=====	=====	=====

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	At 30.6.19 (unaudited) £	At 30.6.18 (unaudited) £	At 31.12.18 (audited) £
CURRENT ASSETS			
Trade and other receivables	2,180	7,133	10,188
Cash and cash equivalents	911,712	961,971	920,262
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	913,892	969,104	930,450
CURRENT LIABILITIES			
Trade and other payables	(20,330)	(21,019)	(17,500)
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NET CURRENT ASSETS	893,562	948,085	912,950
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NET ASSETS	893,562	948,085	912,950
	=====	=====	=====
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Share capital	266,900	266,900	266,900
Share premium account	994,271	994,271	994,271
Share-based payment reserve	-	-	-
Retained earnings	(367,609)	(313,086)	(348,221)
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TOTAL EQUITY	893,562	948,085	912,950
	=====	=====	=====
 Net asset value per share (basic)	 33.48p	 35.52p	 34.86p
	=====	=====	=====

**STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

	1.1.19 to 30.6.19 (unaudited) £	1.1.18 to 30.6.18 (unaudited) £	1.1.18 to 31.12.18 (audited) £
Net cash outflow from operating activities	(8,550)	(9,610)	(51,319)
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Cash flows from financing activities			
Share issue proceeds	-	-	-
Share issue costs	-	-	-
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	(8,550)	(9,610)	(51,319)
	-----	-----	-----
Cash flows from investing activities			
Finance income	-	-	-
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Net (decrease)/increase in cash and cash equivalents	(8,550)	(9,610)	(51,319)
Cash and cash equivalents at beginning of period	920,262	971,581	971,581
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Cash and cash equivalents at end of period	911,712	961,971	920,262
	=====	=====	=====

**STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

	Share capital	Share premium	Share -based payment reserve	Retained earnings	Total
	£	£	£	£	£
At 1 January 2018	266,900	994,271	-	(300,513)	960,658
Loss for period ended 30 June 2018	-	-	-	(12,573)	(12,573)
At 30 June 2018	<u>266,900</u>	<u>994,271</u>	-	<u>(313,086)</u>	<u>948,085</u>
Loss for period ended 31 December 2018	-	-	-	(35,135)	(35,135)
Transfer on expiry of share options	-	-	-	-	-
At 31 December 2018	<u>266,900</u>	<u>994,271</u>	-	<u>(348,221)</u>	<u>912,950</u>
Loss for period ended 30 June 2019	-	-	-	(19,388)	(19,388)
At 30 June 2019	<u><u>266,900</u></u>	<u><u>994,271</u></u>	-	<u><u>(367,609)</u></u>	<u><u>893,562</u></u>

NOTES TO THE INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 2019

1. GENERAL

The interim financial information for the six month period ended 30 June 2019 are unaudited and were approved by the Directors of the Company on 11 October 2019. The condensed financial information set out above does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006.

The financial information contained in this report in respect of the annual financial statements for the period ended 31 December 2018 has been extracted from the report and financial statements for that period which have been filed with the Registrar of Companies. The report of the auditors on those accounts did not contain a statement under section 498(2) or (3) of the Companies Act 2006 and was not qualified.

The interim financial information is unaudited and has not been reviewed by the auditors.

The Company's operations are not subject to seasonality or cyclicity.

No dividend has been declared or paid in this interim period.

2. ACCOUNTING POLICIES

The principal accounting policies and methods of computation have remained unchanged from those used in the preparation of the Company's 2018 annual financial statements and are expected to be used for the Company's 2019 annual financial statements.

3. CASH FLOWS FROM OPERATING ACTIVITIES

	1.1.19 to 30.6.19 £	1.1.19 to 30.6.19 £	1.1.18 to 31.12.18 £
Loss before taxation	(19,388)	(12,573)	(47,708)
Adjustments for:			
Finance income	-	-	-
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	(19,388)	(12,573)	(47,708)
Decrease/(increase) in receivables	8,008	(229)	(3,284)
Increase/ (Decrease) in payables	2,830	3,192	(327)
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Net cash (outflows)/inflows from operating activities	(8,550)	(9,610)	(51,319)
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**NOTES TO THE INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

4. EARNINGS 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. Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

Basic Earnings per share	Earnings	Weighted average number of shares	Per-share amount
	£	No.	(pence)
Earnings per share attributed to ordinary shareholders	<u>(19,388)</u>	<u>2,668,999</u>	<u>(0.73)p</u>

The Company has made a loss and, accordingly the effect of the share options is anti-dilutive.

5. NET ASSET VALUE PER SHARE

The “basic” net asset value per share figures are calculated on the basis of the net assets attributable to equity shareholders divided by the number of ordinary shares in issue at the relevant dates of 2,668,999 (30 June 2018: 2,668,999; 31 December 2018: 2,668,999).

6. SHARE CAPITAL

Allotted, called up and fully paid:

	At 30.6.19	At 30.6.18	At 31.12.18
	£	£	£
2,668,999 Ordinary shares of £0.10 each	<u>266,900</u>	<u>266,900</u>	<u>266,900</u>

7. COPIES OF INTERIM REPORT

Copies of the interim report are available to the public free of charge from the Company at 5th Floor, 15 Whitehall, London, England, SW1A 2DD during normal office hours, Saturdays and Sundays excepted, for 14 days from today and are available on the website at www.auctusgrowthplc.co.uk.