Auctus Growth plc
(‘Auctus’ or the ‘Company’)

Final Results

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

Dear Shareholder,

I present the Chairman's statement for the year ended 31 December 2016, where the Company reported a net loss of £35,783 (1.34p per share) compared to a net loss of £189,219 (7.49p per share) for the year ended 31 December 2015. As at 31 December 2016, the Company had cash balances of £1,006,342 (£1,030,551 at 31 December 2015). The loss for the year was predominately incurred as a result of normal operating costs associated with maintaining the Company's Standard Listing while it continues to actively evaluate a number of potential acquisition opportunities. The Company remains hopeful that it will be able to announce progress in this regard in due course but in the meantime, the Board continues to prudently manage the Company's cash reserves. In that regard, the Directors have continued to suspend the payment of all fees due to them until further notice and, as a result of this and other cost saving initiatives, the annualised operating expenses (excluding transaction costs) continue to sit at approximately £35,000 per annum based on current estimates.

The Board looks forward to providing further updates to shareholders in due course.

Malcolm Burne
Chairman

26 April 2017

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The Directors are pleased to present their strategic report for year ended 31 December 2016.

REVIEW OF BUSINESS
The Company was formed to invest in strategic and/or special situations of unquoted companies or businesses that are seeking a public quotation.

During the year under review, the Board continued to evaluate a number of potential acquisition opportunities. As yet the Board has not found a target company that will provide the targeted returns for the Company's shareholders.

This review does not contain information regarding the impact of the business on the environment, the Company's employees or the social and community issues surrounding the Company.

At the year end the Company has cash of approximately £1.006 million, no debt and continues to keep administrative costs to a minimum so that maximum funds can be dedicated to the review of and potentially investment in, suitable projects.

PRINCIPAL RISKS AND UNCERTAINTIES
The preservation of its cash balances remains a principal risk for the Company along with the uncertainty of identifying and acquiring a suitable target company. The Company is committed to maintaining its operations at minimal costs. Further information about the Company's principal risks is detailed in note 12 to the financial statements.

KEY PERFORMANCE INDICATORS
The key performance indicators for the Company are both the identification of a suitable investment opportunity within its stated investment mandate and to adopt a sensible cash utilisation and management strategy until the successful closing of such a transaction.

This report was approved by the Board on 26 April 2017 and signed on its behalf by

Charles Cannon Brookes
Director

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016

The Directors are pleased to present their annual report and audited financial statements of Auctus Growth plc for the year ended 31 December 2016.

Principal activity
The principal activity of the Company is to invest in strategic and/or special situations of unquoted companies or businesses that are seeking a public quotation.

Key events
Key events during the year under review and since the year-end are referred to in the Chairman's statement.

Results and dividends
The Company received no income during the year (2015: £nil) and the loss after taxation was £35,783 (2015: £189,219). The Directors are unable to recommend the payment of a dividend.

Future developments
The future developments of the Company are set out in the Chairman's statement.

Substantial shareholdings
As at 19 April 2017, the Directors had been notified of the following holdings representing three per cent or more of the issued share capital of the Company:

	Ordinary Shares	%
Malcolm Burne	283,333	10.62
Richard Lockwood	273,333	10.24
Michinoko Limited	200,000	7.49
Arlington Group Asset Management Limited	192,333	7.21
Miton Group plc	180,000	6.74

These shareholdings were the same as those held at 31 December 2015.

Directors
The Directors of the Company during the year were:

Malcolm A Burne (Chairman)
Charles Cannon Brookes
Nathan A Steinberg

Directors' interests
The table below sets out the interests of the Directors in the Company's shares.

	At 31 December 2016		**At 31 December 2015**	
	Ordinary shares	**%**	**Ordinary shares**	**%**
Malcolm Burne	283,333	10.62	283,333	10.62
Charles Cannon Brookes	-	-	-	-
Nathan Steinberg	49,000	1.84	49,000	1.84

In addition, 192,333 (2015: 192,333) Ordinary shares were held by Arlington Group Asset Management Limited, a company in which both Malcolm Burne and Charles Cannon Brookes served as Directors during the year. Arlington Group Asset Management Limited also holds options to acquire a further 200,000 Ordinary shares, as set out in note 10 to the financial statements.

The Board currently comprises three Directors, all of whom have extensive experience in investment, corporate finance and project assessment regionally and internationally and are well-placed to implement the Company's business objective and strategy. Any further appointments to the Board would be made after due consideration of the Company's requirements and to the availability of candidates with the requisite skills and, where applicable, depth of sector experience.

Malcolm Alec Burne
Malcolm started his career in stock broking as an equity analyst and then later as investment editor of The Financial Times and Telegraph Group. He has managed and controlled fund management, venture capital and investment banking companies in Australia, Hong Kong and North America. Malcolm has been a Director of over twenty international companies. He was the founder of resources stockbroker, publicly quoted Ambrian plc; the former chairman of Australian Bullion Company; the founder and non-executive chairman of Golden Prospect Precious Metals Limited; and until 30 June 2016, was a Director of Arlington Group Asset Management Limited; he also currently acts as an advisor to Altus Resources Fund, an investment company focused on the natural resources sector and as a Director of J P Jenkins Limited, Second Market Limited and StartechNG plc.

Charles Cannon Brookes
Charles has over 15 years investment experience. He is the Investment Director of FCA authorised and regulated Arlington Group Asset Management Limited (AGAM) having acquired the business in October 2004. Through AGAM, he has been active in a variety of different investment management mandates and corporate finance transactions. He is also an executive Director of Duke Royalty Limited, the first UK quoted diversified royalty investment company. In addition, he has successfully led a number of IPO and RTO transactions on the London markets. Prior to AGAM he worked for Arlington Group plc, an AIM quoted investment company and managed all of its public equity portfolio, as well as Jupiter Asset Management, ABN Amro and Barclays de Zoete Wedd. He has extensive fund management experience and has advised and sat on the board of a number of different funds, trusts and other operating public companies.

Nathan Anthony Steinberg
Nathan Steinberg, FCA, FCCA, TEP, is a partner in the London accountancy practice of Munslows LLP and has considerable public company experience. He previously served as the finance Director of Pan African Resources plc and as the chairman of Ambrian plc. He is an experienced corporate and financial adviser and is a member of Council of the Institute of Chartered Accountants in England and Wales.

Employees
Currently the Company has no permanent employees other than its Directors.

Carbon emissions
The Company is currently non-trading with no operating premises or employees other than its Directors, and therefore has minimal carbon emissions. Accordingly, it is not practicable to obtain emissions data.

Financial risk management
The Company's financial risk management objective is to minimise as far as possible, the Company's exposure to such risk as detailed in note 12 to the financial statements.

Capital Management
The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to provide a means of attracting investors. The Company has no debt and therefore does not have a strategy in terms of maintaining a specific debt to equity ratio. Instead capital is managed with a view to conserving cash and cash equivalents which can be used to further the Company's aims and objectives.

Directors' Indemnity Arrangements
The Company has purchased and maintained throughout the period qualifying indemnity provisions through Directors' and Officers' liability insurance.

Going concern
The Directors have a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future. For this reason they have adopted the going concern basis in preparing the financial statements.

Corporate governance
As a Company listed on the Standard Segment of the Official List of the UK Listing Authority, the Company is not required to comply with the provisions of the UK Corporate Governance Code. Although the Company does not comply with the UK Corporate Governance Code, the Company intends to have regard for the provisions of the Corporate Governance Code, which is publicly available at www.frc.org.uk, insofar as is appropriate, save as set out below:

- Given the wholly non-executive composition of the Board, certain provisions of the UK Corporate Governance Code (in particular the provisions relating to the division of responsibilities between the Chairman and chief executive and executive compensation) are considered by the Board to be inapplicable to the Company. In addition, the Company does not comply with the requirements of the UK Corporate Governance Code in relation to the requirement to have a senior independent Director.
- Until an acquisition is made the Company will not have nomination, remuneration, audit or risk committees. The Board as a whole will instead review its size, structure and composition, the scale and structure of the Directors' fees (taking into account the interests of Shareholders and the performance of the Company), take responsibility for the appointment of auditors and payment of their audit fee, monitor and review the integrity of the Company's financial statements, the Board's performance and take responsibility for any formal announcements on the Company's financial performance. Following an acquisition the Board intends to put in place nomination, remuneration, audit and risk committees. The Board has adopted the Model Code for Directors' dealings contained in the Listing Rules of the UK Listing Authority. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the Model Code by the Directors.

The Directors are responsible for internal control in the Company and for reviewing its effectiveness. Due to the size of the Company, all key decisions are made by the Board in full. The Directors have reviewed the effectiveness of the Company's systems during the period under review and consider that there have been no material losses, contingencies or uncertainties due to weaknesses in the controls. The Board do not consider an internal audit function to be necessary due to the Company being a 'cash shell'. Details regarding substantial shareholdings are set out above. As there is only one class of share, there are no special rights or restrictions attached to the shares held by any individual or entity.

The corporate governance practices of the company are publicly available by making a written enquiry to the Directors of the Company at the Company's registered office.

The Board meets regularly and the following table sets out the Directors' attendance at the Board meetings held during the year:

	Board Meetings Attended (1 held in year)
Malcolm Burne	1
Charles Cannon Brookes	1
Nathan Steinberg	1

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have, as required by the Rules of the London Stock Exchange, elected to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Under Company law the Directors must not approve the financial statements unless they are satisfied that they are sufficient to show a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Auditors and disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report each confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

A resolution to re-appoint F. W. Smith, Riches & Co. as auditors will be proposed at the Annual General Meeting.

Annual General Meeting

Notice of the forthcoming Annual General Meeting of the Company together with resolutions relating to the Company's ordinary business will be given to the members separately.

This report was approved by the Board on 26 April 2017 and signed on its behalf by

Charles Cannon Brookes
Director

Company Registration Number 09040064

DIRECTORS' REMUNERATION REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

This Remuneration Report sets out the Company's policy on the remuneration of Directors together with details of Directors' remuneration packages and service contracts for the year ended 31 December 2016.

The first part is the Annual Remuneration Report which details remuneration awarded to Directors during the period. The Annual Remuneration Report will be proposed as an ordinary resolution to shareholders at the forthcoming Annual General Meeting, the date of which will be notified to shareholders in due course.

The second part is the Remuneration Policy Report which details the remuneration policy for Directors. This policy was approved by a binding vote by shareholders at the Annual General Meeting held on 30 June 2015 and applies for a three year period commencing 30 July 2015.

Until an acquisition is made, the Company will not have a separate remuneration committee. The Board as a whole will review the scale and structure of the Directors' fees, taking into account the interests of shareholders and the performance of the Company and Directors. Following the completion of an acquisition, the Board intends to put in place a remuneration committee.

The Company maintains contact with its shareholders about remuneration in the same way as other matters and, as required by Section 439 of the Companies Act 2006, this remuneration report will be put to an advisory vote of the Company's shareholders at the forthcoming Annual General Meeting.

Annual Remuneration Report

Directors' emoluments (audited)

	Malcolm Burne	Charles Cannon Brookes	Nathan Steinberg	Total
	£	£	£	£
Salaries and fees				
Total fees paid (excluding VAT)	-	-	-	-
In advance at 1 January 2016	-	-	-	-
Total salaries and fees	-	-	-	-
All taxable benefits	-	-	-	-
Annual bonuses	-	-	-	-
Long term share incentives plans	-	-	-	-
All pension related benefits	-	-	-	-
Total to 31 December 2016	-	-	-	-

The Directors have agreed that with effect from 31 August 2015, in order to conserve working capital, they will not take any further remuneration until an acquisition has been successfully completed.

	Malcolm Burne	Charles Cannon Brookes	Nathan Steinberg	Total
	£	£	£	£
Salaries and fees				
Total fees paid (excluding VAT)	-	-	-	-
In advance at 1 January 2015	*9,617	*6,411	**6,667	22,695
Total salaries and fees	9,617	6,411	6,667	22,695
All taxable benefits	-	-	-	-
Annual bonuses	-	-	-	-
Long term share incentives plans	-	-	-	-
All pension related benefits	-	-	-	-
Total to 31 December 2015	9,617	6,411	6,667	22,695

**paid in advance to 22 August 2015*
***paid in advance to 31 August 2015*

Malcolm Burne's services are provided to the Company pursuant to a non-executive appointment letter dated 30 July 2014, under which £15,000 per annum, excluding VAT, is paid to Arlington Group Asset Management Limited, the first payment being due on the date of admission.

Charles Cannon Brookes' services are provided to the Company pursuant to a non-executive appointment letter dated 30 July 2014, under which £10,000 per annum, excluding VAT, is paid to Arlington Group Asset Management Limited, the first payment being due on the date of admission.

Nathan Steinberg's services are provided to the Company pursuant to a non-executive appointment letter dated 30 July 2014, under which £10,000 per annum, excluding VAT, is paid to Munslows LLP, the first payment being due on the date of admission.

Each of the Directors' appointments is for a period of 12 months and thereafter subject to termination by either party on three months' written notice.

As the Company is non-operational, all the Directors are non-executive.

Payments to past Directors (audited)
No payments were made to past Directors in the year ended 31 December 2016 or the year ended 31 December 2015.

Payments for loss of office (audited)
No payments for loss of office were made in the year ended 31 December 2016 or the year ended 31 December 2015.

Directors' interests (audited)
The table below sets out the interests of the Directors in the Company's shares.

	At 31 December 2016		At 31 December 2015	
	Ordinary shares	**%**	**Ordinary shares**	**%**
Malcolm Burne	283,333	10.62	283,333	10.62
Charles Cannon Brookes	-	-	-	-
Nathan Steinberg	49,000	1.84	49,000	1.84

In addition, 192,333 (2015: 192,333) Ordinary shares were held by Arlington Group Asset Management Limited, a company in which both Malcolm Burne and Charles Cannon Brookes served as Directors during the year. Arlington Group Asset Management Limited also holds options to acquire a further 200,000 Ordinary shares, as set out in note 10 to the financial statements.

Since the year end there have been no changes to the interests of the Directors in the Company's shares.

Performance graph
The FTSE All Share is the closest comparable index for a standard list company, whilst a standard listing does not provide for inclusion in the all-share index it is a relevant comparator of the Company's performance.

The FTSE all share index is shown for the whole of the period from incorporation to date, the Company's performance is only shown from 22 August 2014, from which date its shares were first traded.

Remuneration of the non-executive Chairman

	2016	2015
Malcolm Burne	**£**	**£**
Salaries and fees	-	9,617
	%	**%**
Annual bonus payout against maximum opportunity	-	-
Long-term incentive vesting rates against maximum opportunity	-	-

The Company does not have a chief executive so the table includes the equivalent information for the non-executive Chairman.

Percentage change in remuneration of Director undertaking role of Chairman

Salaries and fees	**M A Burne £**	**% change**	**All other directors £**	**% change**
Year ended 31 December 2016	-	(100.0%)	-	(100.0%)
Year ended 31 December 2015	9,617	78.6%	13,078	88.9%
Period from 14 May 2014 to 31 December 2014	5,383	-	6,922	-

No other remuneration or benefits were received by any director during the periods under review.

Relative importance of spend on pay
The total expenditure on remuneration to all employees is as shown below:

	2016 £	2015 £
Employee remuneration (excluding Directors)	-	-
Distribution to shareholders	-	-

Consideration by the Directors of matters relating to Directors' remuneration
The Board considered the Directors' remuneration in the year ended 31 December 2015. It was agreed that, in order to conserve working capital, the Directors would not take any further remuneration until an acquisition has been successfully completed. No external advice was taken in reaching this decision. There have been no changes to the policy during the year ended 31 December 2016.

Shareholder voting
At the Annual General Meeting on 30 June 2015, there was an advisory vote on the resolution to approve the Remuneration Report and policy, the result of which is detailed below:

% of votes for	% of votes against	% of votes withheld
100%	-	-

Remuneration Policy Report

The Remuneration Policy is the Company's policy on Directors' remuneration, which was approved by a binding vote at the 2015 Annual General Meeting. The policy took effect from 30 July 2015.

In setting the policy, the Board has taken the following into account:

- The need to attract, retain and motivate individuals of a calibre who will ensure successful leadership and management of the Company;
- The Company's general aim of seeking to reward all employees fairly according to the nature of their role and their performance;
- Remuneration packages offered by similar companies within the same sector;
- The need to align the interests of shareholders as a whole with the long-term growth of the Company; and
- The need to be flexible and adjust with operational changes throughout the term of this policy.

Future Policy Table

Element	Purpose	Policy	Operation	Opportunity and performance conditions
Non-executive Directors				
Salaries and fees	To award for services provided	The Board as a whole determines the remuneration of non-executive Directors based on comparison of other companies of similar size and sector. There is no element of remuneration for performance. Any Director who serves on any committee, or devotes special attention to the business of the Company, or otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration as the Directors may determine.	Payable in advance and reviewable annually	The total value of Directors' fees that may be paid is limited to the appointment letters the Directors have entered into as outlined above.
All taxable benefits	N/A	Not awarded	N/A	N/A
Annual bonuses	N/A	Not awarded	N/A	N/A
Long term share incentives plans	N/A	Not awarded	N/A	N/A
Pensions	N/A	Not awarded	N/A	N/A

Notes to the Future Policy Table
All the Directors are entitled to be reimbursed by the Company for travel, hotel and other expenses incurred by them in the course of their Directors' duties relating to the Company.

Remuneration scenario for Directors
The Directors have agreed that with effect from 31 August 2015, in order to conserve working capital, they will not take any further renumeration until an acquisition has been successfully completed. There have been no changes to this policy during the year ended 31 December 2016.

Approach to recruitment remuneration
All appointments to the Board are made on merit. The components of a new Director's remuneration package (who is recruited within the life of the approved remuneration policy) would comprise base salary as outlined above and the approach to such appointments are detailed within the Future Policy Table above. The Company will pay such levels of remuneration to new Directors that would enable the Company to attract appropriately skilled and experienced individuals that are not in the opinion of the remuneration committee excessive.

Service contracts
The non-executive Directors are contracted under letters of appointment with the Company and do not have a contract of employment with the Company. None of the Directors are entitled to receive compensation for loss of office, they are all appointed on rolling one year contracts which are subject to termination on three months' notice on either side. The Directors are subject to annual re-election in accordance with the Company's Articles of Association. The letters of appointment are kept at the Company's registered office.

Policy on payment for loss of office
Termination payments will be calculated in accordance with the existing letters of appointment. It is the policy of the Company to appoint Directors without extended terms of notice which could give rise to extraordinary termination payments.

Consideration of employment conditions elsewhere in the Company
In setting out this policy for Directors' remuneration, the Board has been mindful of the Company's objective to reward all employees fairly according to their role, performance and market forces. However, as the Company does not currently have any employees, other than the directors, it is not able to consider the pay and employment conditions of other employees within the Company nor undertake any consultation with employees in drawing up a policy. The Company has also not used any formal comparison measures.

Consideration of shareholders' views
The Directors remuneration policy was approved by a binding vote by shareholders at the Annual General Meeting held on 30 June 2015 and applies for a three year period commencing 30 July 2015.

This report was approved by the Board on 26 April 2017 and signed on its behalf by

Malcolm Burne

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUCTUS GROWTH PLC FOR THE YEAR ENDED 31 DECEMBER 2016

We have audited the financial statements of Auctus Growth plc for the year ended 31 December 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the statement of Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatement or inconsistencies we consider the implications for our report.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion; based on the work carried out in the course of the audit:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006;
- the information given in the Strategic Report and Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Report of the Directors have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Martin J. Rooney (Senior Statutory Auditor)
For and on behalf of F. W. Smith, Riches & Co., Statutory Auditors
London
26 April 2017

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016	2015
		£	**£**
NET TRADING INCOME		**-**	**-**
Other operating expenses		**(35,783)**	**(189,219)**
Total operating expenses		**(35,783)**	**(189,219)**
OPERATING LOSS	3	**(35,783)**	**(189,219)**
Finance income		**-**	**-**
LOSS BEFORE TAXATION		**(35,783)**	**(189,219)**
Income tax expense	5	**-**	**-**
LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**(35,783)**	**(189,219)**
Earnings per share (pence) – basic and fully diluted	6	**(1.34)p**	**(7.49)p**

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
CURRENT ASSETS			
Trade and other receivables	7	5,830	22,077
Cash and cash equivalents		1,006,342	1,030,551
		1,012,172	1,052,628
CURRENT LIABILITIES			
Trade and other payables	8	(15,653)	(20,326)
NET CURRENT ASSETS		996,519	1,032,302
NET ASSETS		996,519	1,032,302
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Share capital	9	266,900	266,900
Share premium account		972,140	972,140
Share-based payment reserve		22,131	22,131
Retained earnings		(264,652)	(228,869)
TOTAL EQUITY		996,519	1,032,302

The financial statements were approved and authorised for issue by the Directors on 26 April 2017 and were signed on their behalf by:

Charles Cannon Brookes
Director

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Net cash outflow from operating activities	**11**	**(24,209)**	**(174,844)**
Cash flows from financing activities			
Share issue proceeds		**-**	**114,500**
Share issue costs		**-**	**(5,925)**
		-	**108,575**
Cash flows from investing activities			
Finance income		**-**	**-**
Net (decrease) in cash and cash equivalents		**(24,209)**	**(66,269)**
Cash and cash equivalents at beginning of the year		**1,030,551**	**1,096,820**
Cash and cash equivalents at end of the year		**1,006,342**	**1,030,551**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital	Share premium	Share -based payment reserve	Retained earnings	Total
	£	£	£	£	£
At 1 January 2016	266,900	972,140	22,131	(228,869)	1,032,302
Loss for year	-	-	-	(35,783)	(35,783)
At 31 December 2016	266,900	972,140	22,131	(264,652)	996,519

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Share premium	Share -based payment reserve	Retained earnings	Total
	£	£	£	£	£
At 1 January 2015	244,000	886,465	22,131	(39,650)	1,112,946
Issue of shares	22,900	91,600	-	-	114,500
Costs of share issue	-	(5,925)	-	-	(5,925)
Loss for year	-	-	-	(189,219)	(189,219)
	-	-	-	-	-
At 31 December 2015	266,900	972,140	22,131	(228,869)	1,032,302

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRSs

The Company's financial statements for the year to 31 December 2016 were authorised for issue by the Board of Directors on 26 April 2017 and the balance sheet was signed on the Board's behalf by Charles Cannon Brookes. Auctus Growth plc is a public limited Company incorporated and domiciled in England and Wales. The Company does not have an ultimate controlling party. 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 principal activity of the Company is to invest in strategic and/or special situations of unquoted companies or businesses that are seeking a public quotation.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and endorsed by the European Union (EU), and the Companies Act 2006 applicable to companies reporting under IFRS. These comprise standards and interpretations approved by the International Accounting Standards Board (IASB) that remain in effect and to the extent that they have been adopted by the EU. Under Section 454 of the Companies Act 2016, the Directors can amend these financial statements on a voluntary basis if they subsequently prove to be defective.

2. ACCOUNTING POLICIES

Basis of measurement
The financial statements have been prepared on a historical cost basis. All amounts are shown in sterling, the Company's functional currency.

Trading income
Trading income is recognised to the extent that it is probable that economic benefit will flow to the Company and the trading income can be reliably measured.

Cash and cash equivalents
Cash and cash equivalents are defined as cash in hand and bank deposits. Bank deposits include on demand deposits and short-term, highly liquid investments which are readily convertible to known amounts of cash, subject to insignificant risk of changes in value, and have a maturity of less than 3 months from the date of acquisition.

Current income tax
The current income tax 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
Deferred income tax is provided by 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.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Share-based payments
Certain services have been provided to the Company in exchange for equity-settled share-based payments.

The cost of equity-settled transactions is determined with reference to their fair value at the date on which they were granted. The fair value is determined by using the Black-Scholes option pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled, ending on the date on which the grantees become fully entitled to the award ("the vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The dilutive effect of the outstanding options is reflected as additional dilution in the computation of earnings per share.

Financial instruments
Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a contractual party to the instrument.

Trade receivables
Trade receivables are recognised initially at their fair value which equates to their nominal value as reduced by appropriate provision for irrecoverable amounts and subsequently at amortised cost.

Trade payables
Trade payables are recognised initially at their fair value and subsequently at amortised cost.

Equity
Share capital is determined using the nominal value of shares that have been issued.

The share premium account includes any premiums on the initial issuing of share capital. Any transaction costs associated with the issue of shares are deducted from the share premium account. The share-based payment reserve arises from the charge associated with the issue of equity settled share-based payments.

Accounting judgements and key sources of estimation uncertainty
The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions in certain circumstances that affect reported amounts. The most sensitive estimate affecting the financial statements is the area of share-based payments. Actual outcomes may therefore differ from these estimates and assumptions.

In determining the fair value of equity settled share-based payments and the related charge to the income statement, the Company makes assumptions about future events and market conditions. In particular, judgment must be made as to the likely number of shares that will vest and the fair value of each award granted. The fair value is determined using a valuation model which is dependent on further estimates including the Company's future dividend policy, the timing of the exercise of options and the future volatility in the price of the Company's shares.

Such assumptions are based on publicly available information and reflect market expectations. Different assumptions from those used (which are disclosed in note 10) could materially affect the reported value of share-based payments. The Company has recognised a corresponding increase in equity in accordance with IFRS 2: Share-based payments by crediting “Share-based payment reserve” (a component of equity) for the grant of the share options.

New and amended standards
Various new or revised accounting standards have been issued which are not yet effective, including IFRS 9 ‘Financial Instruments’, IFRS 16 ‘Leases’ and IFRS 15 ‘Revenue from Contracts with Customers’. The Directors’ initial assessment is that they are unlikely to have a significant impact on the Company.

3. OPERATING LOSS

The Company has not yet commenced trading and accordingly there is no segmental analysis.

Operating loss is stated after charging :-

	2016	**2015**
	£	**£**
Aborted acquisition costs	**-**	**125,268**
Fees payable to the Company’s auditors (excluding VAT)		
- Audit of the Company’s financial statements	**10,000**	**10,000**
- Other non-audit services	**2,750**	**500**

4. PARTICULARS OF EMPLOYEES

The average number of employees of the Company in the year was:

	2016	**2015**
	Number	**Number**
Directors	**3**	**3**

The Directors’ aggregate emoluments in respect of qualifying services were:	**£**	**£**
Other fees (excluding Value Added Tax)	**-**	**22,695**
	-	**22,695**

The Directors, whose aggregate emoluments are disclosed above, also comprise the group of individuals who are considered to be the Company’s Key Management Personnel.

Other fees in 2015 comprise £16,028 plus VAT, to Arlington Group Asset Management Limited, a company in which Malcolm Burne and Charles Cannon Brookes served as Directors during the year, and £6,667 plus VAT, to Munslows LLP, a firm in which Nathan Steinberg is a partner.

In addition, Arlington Group Asset Management Limited provided advisory services amounting to £Nil (£25,000 plus VAT), and Munslows LLP provided accounting and taxation services to the Company at a cost of £7,500 plus VAT (2015: £10,000 plus VAT).

5. INCOME TAX EXPENSE

(a) Analysis of charge in the year

	2016 £	2015 £
Current tax:		
UK corporation tax based on the results for the year at 20% (2015:20.25%)	-	-
Total current tax	-	-

(b) Factors affecting the tax charge for the year

The tax assessed for the year does not reflect a credit equivalent to the loss before tax multiplied by the standard rate of corporation tax of 20% (2015: 20.25%).

	2016 £	2015 £
Loss before tax	**(35,783)**	**(189,219)**
Loss before tax multiplied by the standard rate of corporation tax	**(7,156)**	**(38,317)**
Disallowable expenses	**-**	**25,367**
Losses carried forward	**7,156**	**12,950**
Current tax for the year	-	-
Total losses carried forward against future profits	**139,384**	**103,601**

No deferred income tax asset has been recognised in respect of the losses carried forward, due to the uncertainty as to whether the Company will generate sufficient future profits in the foreseeable future to prudently justify this.

6. 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 year. 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	**2016**	**2015**
Loss for the year	**(35,783)**	**(189,219)**
Weighted average number of shares	**2,668,999**	**2,525,326**
Earnings per share attributed to ordinary shareholders	**(1.34)p**	**(7.49)p**

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

7. TRADE AND OTHER RECEIVABLES

	2016	**2015**
	£	**£**
Prepayments	**3,659**	**3,535**
Other receivables	**2,171**	**18,542**
	5,830	**22,077**

The Directors consider that the carrying value of each class of receivable approximates its fair value.

8. TRADE AND OTHER PAYABLES

	2016	**2015**
	£	**£**
Accrued expenses	**15,653**	**20,326**

The Directors consider that the carrying value of each class of payable approximates its fair value.

9. SHARE CAPITAL

Allotted, called up and fully paid:

	2016 No of shares	2016 £	2015 No of shares	2015 £
Ordinary shares of £0.10 each	**2,668,999**	**266,900**	**2,668,999**	**266,900**

On 18 August 2015, the Company issued 228,999 Ordinary shares of £0.10 each at a price of £0.50 per share by private placement.

10. SHARE-BASED PAYMENTS

The Company has granted and issued share options over Ordinary shares in the Company as follows:

Date granted	*Parties*	*Exercise price*	*Number of shares*	*Final exercisable date*
30/07/2014	Arlington Group Asset Management Limited	60p	200,000	21/08/2017
Options vested and outstanding at 31 December 2016 and 31 December 2015			200,000	

No share options were granted, exercised or forfeited during the year ended 31 December 2016 or the year ended 31 December 2015.

The grant of the options was conditional on the successful Initial Public Offering of the Company on the London Stock Exchange. Since the fair value of the services provided could not be reliably estimated, the fair value of the equity settled share option was estimated at the grant date using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The options vested on the Initial Public Offering. No options were exercised or forfeited during the year ended 31 December 2016 or the year ended 31 December 2015. The following table lists the inputs into the model used for the period ended 31 December 2014:

Dividend yield on underlying shares	0%
Risk free rate	0.67
Expected volatility	41%
Average time to expiry	3 years
Weighted average share price of options	60p

The expected life of the options is based on an estimate and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not be the actual outcome. As the Company had no trading history, and consequently no historical volatility of its own shares, the Company has used the historical volatility of similar companies on the London Stock Exchange at the date the options were granted. The options were granted for services provided in respect of the Initial Public Offering, accordingly, the fair value arising of £22,131 was charged to the share premium account in 2014.

11. CASH FLOWS FROM OPERATING ACTIVITIES

	2016 £	2015 £
Loss before taxation	**(35,783)**	**(189,219)**
Decrease in receivables	**16,247**	**12,049**
(Decrease)/increase in payables	**(4,673)**	**2,326**
Net cash outflows from operating activities	**(24,209)**	**(174,844)**

12. FINANCIAL INSTRUMENTS

The Company uses financial instruments such as trade receivables and payables and other items that arise directly from its operations. The main purpose of these financial instruments is to help finance the Company's operations.

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The Company's financial instruments, which are recognised in its statement of financial position, comprise cash and cash equivalents, receivables and payables. The information about the extent and nature of these recognised financial instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows are disclosed in the respective notes below, where applicable.

The Company does not generally enter into derivative transactions (such as interest rate swaps and forward foreign currency contracts) and it is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken.

All financial instruments are recognised in the statement of financial position of the Company. Financial assets and liabilities are held as follows :-

	2016	2015
Assets	**£**	**£**
Cash and cash equivalents	**1,006,342**	**1,030,551**
Total financial assets	**1,006,342**	**1,030,551**
Liabilities		
Accrued expenses	**15,653**	**20,326**
Total financial liabilities	**15,653**	**20,326**

The Directors consider that the carrying value of the financial assets and liabilities approximates their fair value.

Financial risk management objectives and policies
The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and cash flow interest-rate risk. These risks are limited by the Company's financial management policies and practices described below:

(a) Credit risk
As the Company had no revenue during the period, there is no significant concentration of credit risk. The Company does not have written credit risk management policies or guidelines.

The Company's cash is held in reputable banks. The carrying amounts of these financial assets represent the maximum credit exposure.

(b) Liquidity risks
The Company currently has no operational revenue streams. Operational cash flow represents the ongoing administration costs. The group manages its liquidity requirements by the use of long and short term cash flow forecasts.

The Company's policy is to ensure facilities are available as required and to issue share capital in accordance with long and short term cash flow forecasts. As at 31 December 2016, the Company has no undrawn facilities. The Company actively manages its working finance to ensure it has sufficient funds for operations and planned expansion.

The Company's financial liabilities are primarily accruals. All amounts are due for payment in accordance with agreed settlement terms.

(c) Cash flow and fair value interest rate risks
The Company has no interest-bearing liabilities. Interest rates on bank deposits are based on the relevant national inter-bank offered rates. The Company has no fixed interest rate assets.

The main financial risks for the Company are given on page 3 in the Strategic Report.

At 31 December, the currency and interest rate profile of the financial assets and liabilities of the Company was as follows:

	2016 £	2015 £
Financial assets		
GBP – cash and cash equivalents	**1,006,342**	**1,030,551**

(d) Capital risk management
The Company defines capital as the total equity of the Company. The Company manages its capital to ensure that it will be able to continue as a going concern, while maximising the return to shareholders through the optimisation of debt and equity balances. The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust its capital structure, the Company may adjust the amount of dividends to shareholders, issue new shares or return capital to shareholders, and raise debt or sell assets to reduce debt.

(e) Sensitivity analysis
Sensitivity analysis has been performed on all risks documented. There was no material difference to disclosure made on financial assets and liabilities.

13. GENERAL INFORMATION

The principal activity of the Company is to invest in strategic and/or special situations of unquoted companies or businesses that are seeking a public quotation. The Company is incorporated in England and Wales and is domiciled in England and Wales. Its Registered Office is 15 Whitehall, London, SW1A 2DD, and its principal place of business is New Liverpool House, 1st Floor, 47-48 Piccadilly, London W1J 7LD.