

# **Boston International Holdings Plc**

ANNUAL REPORT AND ACCOUNTS

From the period of incorporation  
17 November 2015 to 31 December 2016

Company Number: 09876705

## **Boston International Holdings Plc**

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**Boston International Holdings Plc**

**OFFICERS AND PROFESSIONAL ADVISORS**

**Directors (*all non-executive*)**

W Borden James  
Richard Hartheimer  
Norman Connell

**Company Secretary**

Barbara Spurrier

**Registered Office**

Unit 2, 12 Times Court, Retreat Road, Richmond,  
Surrey TW9 1AF

**Auditors**

Crowe Clark Whitehill LLP  
St. Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

**Bankers**

Metro Bank PLC  
One Southampton Row  
London WC2B 5HA

**Registrars**

Neville Registrars Limited, Neville House, 18  
Laurel Lane, Halesowen, West Midlands, B63 3DA

**Brokers**

Cornhill Capital Limited, 4<sup>th</sup> Floor, 18 St Swithins  
Lane, London EC4 8AD

## **Boston International Holdings Plc**

### **CHAIRMAN'S REPORT**

#### **FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016**

I have pleasure in presenting the financial statements of Boston International Holdings Plc (the "Company") for the period from the date of incorporation on 17 November 2015 to 31 December 2016.

On 12 October 2016, the Company was successfully admitted to Standard Listing on the Official List and to trading on the London Stock Exchange's main market for listed securities.

During the financial period, the Company reported a net loss before taxation of £183,622 (0.006p. per share). There was no revenue in the period. The loss reflects the costs of Admission to the London Stock Exchange and operating costs. As at 31 December 2016, the Company had cash at bank of £1,211,344.

The Board has actively reviewed a number of potential acquisition opportunities across the sector, none of which has met the necessary criteria for selection. To date, no acquisition has been made although the Board remains confident that its objective will be met.

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

**Chairman**

## **Boston International Holdings Plc**

### **STRATEGIC REPORT FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016**

The Directors present their strategic report with the financial statements of the company for the period ended 31 December 2016.

#### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The company has been formed to undertake an acquisition of a target company or business in the foreign exchange (FX) sector.

There is no specific expected target value for the acquisition and the company expects that any funds not used for the acquisition will be used for future acquisitions, internal or external growth and expansion, and working capital in relation to the acquired company or business.

Following completion of an acquisition, the objective of the company will be to operate the acquired business and implement an operating strategy with a view to generating value for its shareholders through operational improvements as well as potentially through additional complementary acquisitions following the acquisition.

The company's financial performance for the period reflected market conditions. The company loss after taxation for the year to 31 December 2016 amounted to £183,622 (2015: £Nil). No dividends were paid during the year and none are proposed. A review of the activity of the business and future prospects is contained in the Chairman's Statement on page 2 which accompanies these financial statements.

#### **KEY PERFORMANCE INDICATORS**

The key indicator of performance for the company is its success in identifying, acquiring, developing and divesting investments in projects so as to create shareholder value.

Control of bank and cash balances is a priority for the company and these are budgeted and monitored closely to ensure that it maintains adequate liquid resources to meet financial commitments as they arise.

At this stage in its development, quantitative key performance indicators are not an effective way to measure the company's performance.

However, a qualitative summary of performance is in the period in the Chairman's Statement.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Company's activities expose it to a variety of financial risks: currency risk, credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

##### **a) Currency risk**

The Company does not operate internationally and its exposure to foreign exchange risk is limited to the transactions and balances that are denominated in currencies other than Pounds Sterling.

##### **b) Credit risk**

The Company does not have any major concentrations of credit risk related to any individual customer or counterparty.

**STRATEGIC REPORT  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016**

**c) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and available funding through an adequate amount of committed credit facilities. The Company ensures it has adequate resource to discharge all its liabilities. The directors have considered the liquidity risk as part of their going concern assessment. (See note 2).

**d) Cash flow interest rate risk**

The Company has no significant interest-bearing liabilities and assets. The Company monitors the interest rate on its interest bearing assets closely to ensure favourable rates are secured.

**e) Capital risk management**

The Company manages its capital to ensure that entities within the Company will be able to continue individually as going concerns, 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 or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the period ended 31 December 2016.

The Company does not hold any collateral as security.

On behalf of the board

W Borden James  
Chairman  
27 April 2017

## **Boston International Holdings Plc**

### **DIRECTORS' REPORT FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016**

#### **Directors' report**

The Directors present their report together with the audited financial statements, for the period ended 31 December 2016.

The Company was incorporated on 17 November 2015 as a private company limited by shares in England and Wales.

Its issued share capital, consisting of Ordinary Shares was admitted to trading on the London Stock Exchange's main market for listed securities on 12 October 2016.

#### **Results and dividends**

The results for the year are set out in the Statement of Comprehensive Income on page 16. The Directors do not recommend the payment of a dividend on the ordinary shares.

#### **Company objective**

The Company has been formed to undertake an acquisition of a target company or business in the FX Industry.

There is no specific expected target value for the acquisition and the Company expects that any funds not used for the acquisition will be used for future acquisitions, internal or external growth and expansion, and working capital in relation to the acquired company or business.

Following completion of an acquisition, the objective of the Company will be to operate the acquired business and implement an operating strategy with a view to generating value for its shareholders through operational improvements as well as potentially through additional complementary acquisitions following the acquisition. Following an acquisition, the Company intends to seek re-admission of the enlarged group to listing on the Official List and trading on the London Stock Exchange's main market for listed securities.

#### **The Company's business risk**

An explanation of the Company's financial risk management objectives, policies and strategies is set out in the strategic report and note 11.

#### **Key events**

During the period, the Company raised initial funds of £1,382,476 through two private placings of 29,620,948 ordinary shares of £0.01p. to provide working capital and initial funding of an acquisition. On 12 October 2016, the shares were admitted to main market of the London Stock Exchange,

At the period end the Company has cash of approximately £1.2 million and 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, suitable acquisitions.

## **Boston International Holdings Plc**

### **DIRECTORS' REPORT FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

#### **Directors**

The Directors of the Company during the period were:

W Borden James

Richard Hartheimer

Norman Connell

#### **Substantial shareholders**

The Company has been notified of the following interests of 3 per cent or more in its issued share capital as at 20<sup>th</sup> April 2017.

| <b>Shareholder</b>              | <b>Shareholding</b> | <b>%</b> |
|---------------------------------|---------------------|----------|
| Digger International Group PLTD | 7,500,000           | 25.32%   |
| Boston Merchant (HK) Limited    | 6,571,428           | 22.19%   |
| Boston Merchant Financial PLTD  | 5,100,000           | 17.22%   |
| Stephen Gibson                  | 3,000,000           | 10.13%   |
| SCA LTD                         | 2,000,000           | 6.75%    |
| David Bailey                    | 1,000,000           | 3.38%    |

#### **Capital and returns management**

The Directors believe that, following an acquisition, further equity capital raisings may be required by the Company for working capital purposes as the Company pursues its objectives. The amount of any such additional equity to be raised, which could be substantial, will depend on the nature of the acquisition opportunities which arise and the form of consideration the Company uses to make the acquisition and cannot be determined at this time.

The Company expects that any returns for Shareholders would derive primarily from capital appreciation of the Ordinary Shares and any dividends paid pursuant to the Company's dividend policy.

#### **Dividend policy**

The Company intends to pay dividends on the Ordinary Shares following an acquisition at such times (if any) and in such amounts (if any) as the Board determines appropriate in its absolute discretion. The Company's current intention is to retain any earnings for use in its business operations, and the Company does not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends to the extent that to do so is in accordance with all applicable laws.

## **Boston International Holdings Plc**

### **DIRECTORS' REPORT FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

#### **Corporate governance**

In order to implement its business strategy, the Company has adopted a corporate governance structure whereby the key features of its structure are:-

- a wholly non-executive board with independent non-executive Directors. The Board is knowledgeable and experienced and has extensive experience of making acquisitions such as the acquisition;
- 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 of Directors, before it may complete the acquisition;
- the Board is not subject to the provisions of a formal governance code and given its present size do not intend to formally adopt any specific code, but will apply governance the directors consider to be appropriate, having due regard to the principles of governance set out in the UK Corporate Governance Code.
- until an acquisition is made, the Company will not have separate audit and risk, nominations or remuneration committees. The Board as a whole will instead review audit and risk matters, as well as the Board's size, structure and composition and the scale and structure of the Directors' fees, taking into account the interests of Shareholders and the performance of the Company, and will take responsibility for the appointment of auditors and payment of their audit fee, monitor and review the integrity of the Company's financial statements and take responsibility for any formal announcements on the Company's financial performance;
- the Corporate Governance Code recommends the submission of all directors for re-election at annual intervals. None of the Directors will be required to retire by rotation and be submitted for re-election until the first annual general meeting of the Company following the Acquisition; and
- following an acquisition, the Company may seek to transfer 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 the Model Code and to comply or explain any derogation from the UK Corporate Governance Code.

#### **Auditors and disclosure of information**

The directors confirm that:

- there is no relevant audit information of which the Company's statutory auditor is unaware; and
- each Director has taken all the necessary steps he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's statutory auditor is aware of that information.

## **Boston International Holdings Plc**

### **DIRECTORS' REPORT FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

#### **Directors' Responsibility Statement**

The directors are responsible for preparing the Strategic report, the Directors' Report, Annual report and the statutory financial statements in accordance with applicable law and regulations.

The directors are required to prepare financial statements for the Company in accordance with International Financial Reporting Standards as adopted by the EU (together, "IFRS").

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and applicable law.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of transactions, other events and conditions in accordance with the definitions and recognition criteria for the assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the Preparation and Presentation of Financial Statements". In virtually all circumstances, a fair representation will be achieved by compliance with all IFRS. Directors are also required to:

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance.

The directors are responsible for keeping proper accounting records which 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.

They are further responsible for ensuring that the Strategic Report and the Directors' Report and other information included in the Annual Report and Financial Statements is prepared in accordance with applicable law in the United Kingdom.

The maintenance and integrity of the Company's website is the responsibility of the Directors; work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in Annual Reports may differ from legislation in other jurisdictions.

The Directors are responsible for preparing the Financial Statements in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ('DTR') and with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Directors confirm, to the best of their knowledge that:

## **Boston International Holdings Plc**

### **DIRECTORS' REPORT FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the financial statements include a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that it faces.
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy.

#### **Provision of information to auditors**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

#### **Auditors**

The auditors, Crowe Clark Whitehill LLP, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

#### **Events after the reporting date**

In April 2017, an issue of 1,000,000 ordinary shares of £0.01 each at a consideration of 5 pence per share was placed in the market.

This responsibility statement was approved by the Board of Directors on 27 April 2017 and is signed on its behalf by:

W Borden James  
**Director**  
27 April 2017

**DIRECTORS' REMUNERATION REPORT**

**FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 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 period from 17 November 2015 to 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 will be subject to a binding vote by shareholders at the forthcoming Annual General Meeting and if approved will apply until the completion of an acquisition. The policy is very much in line with the existing policy set out in the prospectus dated 7 October 2016.

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)**

|   | <b>W B James</b> | <b>R Hartheimer</b> | <b>N Connell</b> |
|---|------------------|---------------------|------------------|
| <b>Salaries and fees</b>                | <b>£</b>         | <b>£</b>            | <b>£</b>         |
| Total fees paid (excl VAT)              | 21,000           | 12,500              | 12,500           |
| In advance                              | -                | -                   | -                |
| <b>Per financial statements</b>         | <b>21,000</b>    | <b>12,500</b>       | <b>12,500</b>    |
| Bonuses                                 | -                | -                   | -                |
| Benefits                                | -                | -                   | -                |
| Pension                                 | -                | -                   | -                |
| Notional value of vesting share options | -                | -                   | -                |
| <b>Total to 31 December 2016</b>        | <b>21,000</b>    | <b>12,500</b>       | <b>12,500</b>    |

W Borden James, Richard Hartheimer and Norman Connell were appointed as Directors of the Company on 1st July 2016.

Each of the Directors' appointments shall be for an initial term commencing on the date hereof and ending on completion of the acquisition by the Company.

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

**DIRECTORS' REMUNERATION REPORT**

**FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

**Payments to past Directors**

No payments were made to past Directors in the period from 17 November 2015 to 31 December 2016.

**Payments for loss of office**

No payments for loss of office were made in the period from 17 November 2015 to 31 December 2016.

**Directors' interests**

The table below sets out the interests of the Directors in the Company's shares at 31 December 2016.

| <b>Current Directors</b> | <b>Ordinary shares</b> | <b>%</b> |
|--------------------------|------------------------|----------|
| W Borden James           | 6,571,428              | 22.2     |
| Richard Hartheimer       | -                      | -        |
| Norman Connell           | -                      | -        |

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

**Remuneration of the non-executive Chairman**

|   | <b>2016</b> |
|---|-------------|
|   | <b>£</b>    |
| <b>W Borden James</b>   |             |
| Salaries and fees   | 21,000      |
|   | <b>%</b>    |
| Annual bonus pay-out 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.

No comparison has been made to prior periods as the Company was incorporated in the period under review.

**Percentage change in remuneration of Director undertaking role of Chairman**

No comparison has been made to prior periods as the Company was incorporated in the period under review.

## **DIRECTORS' REMUNERATION REPORT**

**FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

### **Statement of implementation of Remuneration Policy in the following year**

If the policy is approved at the Annual General Meeting, it is intended that the Remuneration Policy takes effect immediately after the date of approval. The vote on the Remuneration Policy is binding in nature. The Company may not then make a remuneration payment or payment for loss of office to a person who is, is to be, or has been a Director of the Company unless that payment is consistent with the approved remuneration policy or has otherwise been approved by a resolution of members.

### **Consideration by the Directors of matters relating to Directors' remuneration**

The Board considered the Directors' remuneration in the period ended 31 December 2016. No increases were awarded and no external advice was taken in reaching this decision.

### **Shareholder voting**

As this is the Company's first Directors' Remuneration Report, there have been no advisory votes to approve any previous remuneration policy.

### **Remuneration Policy Report**

The Remuneration Policy is the Company's policy on Directors' remuneration, which will be proposed for a binding vote at the forthcoming Annual General Meeting. If approved it is intended that the policy will take effect immediately after the date of approval.

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.

### **Remuneration scenario for Directors**

As there is no element of remuneration for performance, the Directors will receive their fixed fees in accordance with the letters of appointment dated 1 July 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.

**DIRECTORS' REMUNERATION REPORT**

**FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

**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 and 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 shareholders' views**

No shareholder views have been taken into account when formulating this policy. In accordance with the new regulations, an ordinary resolution for approval of this policy will be put to shareholders at the forthcoming Annual General Meeting.

This report was approved by the Board on 27 April 2017 and signed on its behalf by

**W Borden James**

**Director**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

We have audited the financial statements of Boston International Holdings Plc for the period ended 31 December 2016 which comprise the Company Statement of Financial Position, the Company Statement of Comprehensive Income, the Company Cash Flow Statement, the Company Statement of Changes in Equity and the related notes set out on pages 20 to 27.

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 and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 auditor's 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 AUDITOR**

As explained more fully in the Statement of Directors' Responsibilities, 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 an 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 OF THE STATUTORY ACCOUNTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on 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;
- the company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion:

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

- the Directors' Report and Strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our 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 and the Directors' report.

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements 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.

Stephen Bullock  
Senior Statutory Auditor  
For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
**London**

**27 April 2017**

**Boston International Holdings Plc**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016**

|  | Notes | £                |
|--|-------|------------------|
| <b>REVENUE</b>   |       | -                |
| Listing expenses   |       | (19,272)         |
| Other operating expenses   | 4     | (164,350)        |
| <b>OPERATING LOSS BEFORE TAXATION</b>  |       | <b>(183,622)</b> |
| Income tax expense   | 5     | -                |
| <b>LOSS FOR THE PERIOD ATTRIBUTABLE TO<br/>EQUITY HOLDERS OF THE COMPANY</b> |       | <b>(183,622)</b> |
| <b>OTHER COMPREHENSIVE INCOME</b>  |       |                  |
| Other comprehensive income   |       | -                |
| <b>TOTAL COMPREHENSIVE INCOME /(LOSS) FOR<br/>THE PERIOD</b>                 |       | <b>(183,622)</b> |
| Basic and diluted loss per share (pence)                                     | 7     | <b>(0.006)</b>   |

The notes to the financial statements on pages 20 to 27 form an integral part of these financial statements.

**Boston International Holdings Plc**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2016**

|   | Notes | £                |
|---|-------|------------------|
| <b>CURRENT ASSETS</b>   |       |                  |
| Other receivables   | 6     | 10,513           |
| Cash and cash equivalents                                       |       | 1,211,344        |
| <b>TOTAL CURRENT ASSETS</b>                                     |       | <b>1,221,857</b> |
| <b>CURRENT LIABILITIES</b>                                      |       |                  |
| Other payables  |       | (30,978)         |
| <b>TOTAL CURRENT LIABILITIES</b>                                |       | <b>(30,978)</b>  |
| <b>NET ASSETS</b>   |       | <b>1,190,879</b> |
| <b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF<br/>THE COMPANY</b> |       |                  |
| Share capital   | 8     | 296,209          |
| Share premium   |       | 1,078,292        |
| Retained earnings   |       | (183,622)        |
| <b>TOTAL EQUITY</b>   |       | <b>1,190,879</b> |

The financial statements of Boston International Holdings Plc for the period ended 31 December 2016 were authorised for issue by the Company's Board of Directors on 27 April 2017.

The accompanying notes on pages 20 to 27 are an integral part of these financial statements.

.....  
**Director**

**Boston International Holdings Plc**

**STATEMENT OF CASH FLOW  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016**

|   | Notes | £                |
|---|-------|------------------|
| <hr/>   |       |                  |
| <b>Cash flow from operating activities</b>              |       |                  |
| Loss before tax   |       | (183,622)        |
| <b>Changes in working capital</b>                       |       |                  |
| Other receivables                                       |       | (10,513)         |
| Other payables  |       | 30,978           |
| <b>Net cash outflow from operating activities</b>       |       | <b>(163,157)</b> |
| <b>Cash flow from financing activities</b>              |       |                  |
| Proceeds from issue of share                            |       | 1,374,501        |
| <b>Net cash inflow from financing activities</b>        |       | <b>1,374,501</b> |
| <b>Net increase in cash and cash equivalents</b>        |       | <b>1,211,344</b> |
| <b>Cash and cash equivalents at beginning of period</b> |       | -                |
| <b>Cash and cash equivalents at end of period</b>       |       | <b>1,211,344</b> |
| <hr/> <hr/>   |       |                  |

The accompanying notes on pages 20 to 27 are an integral part of these financial statements.

**Boston International Holdings Plc**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016**

|                               | <b>Share<br/>Capital</b> | <b>Share<br/>Premium</b> | <b>Profit and<br/>Loss account</b> | <b>Total<br/>Equity</b> |
|-------------------------------|--------------------------|--------------------------|------------------------------------|-------------------------|
|                               | <b>£</b>                 | <b>£</b>                 | <b>£</b>                           | <b>£</b>                |
| Issue of shares               | 296,209                  | 1,078,292                | -                                  | 1,374,501               |
| Loss for the period after tax | -                        | -                        | (183,622)                          | (183,622)               |
| <b>At 31st December 2016</b>  | <b>296,209</b>           | <b>1,078,292</b>         | <b>(183,622)</b>                   | <b>1,190,879</b>        |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016**

**1. GENERAL INFORMATION**

The Company was incorporated on 17 November 2015 in accordance with the laws of England and Wales as a private company limited by shares and re-registered as a public limited company on 14 June 2016

The Company's Ordinary shares commenced trading on the main market of the London Stock Exchange on 12<sup>th</sup> October 2016.

The Company's nature of operations is to act as a special purpose acquisition company.

**2. ACCOUNTING POLICIES**

The Board has reviewed the accounting policies set out below and considers them to be the most appropriate to the Company's business activities.

**Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use by the European Union and IFRIC interpretations applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified for financial assets carried at fair value.

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.

**Comparative figures**

No comparative figures have been presented as the financial information covers the period from incorporation on 17 November 2015 to 31 December 2016.

**Going concern**

This financial statement has been prepared on a going concern basis, which assumes that the Company will continue to be able to meet its liabilities as they fall due for the foreseeable future

**Cash and cash equivalents**

The Company considers any cash on short-term deposits and other short term investments to be cash equivalents.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

**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.

**Financial instruments**

Financial assets and financial liabilities are recognised on the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

**Financial assets**

Financial assets within the scope of IAS 39 are classified as either:

- i) financial assets at fair value through profit or loss
- ii) loans and receivables
- iii) held-to-maturity investments
- iv) available-for-sale financial assets

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date.

As at the balance sheet date, the company did not have any financial assets at fair value through profit or loss, and in the categories of held-to-maturity investments and available-for-sale financial assets.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

**Financial liabilities and equity instruments**

*Classification as debt or equity*

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

*Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

*Financial liabilities*

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities measured at amortised costs.

Financial liabilities are classified as at fair value through comprehensive income statement if the financial liability is either held for trading or it is designated as such upon initial recognition

*Other financial liabilities*

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**Operating segments**

As the company has not completed an acquisition there is no activity to report.

**3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities. Estimates and judgements are continually evaluated, including expectations of future events to ensure these estimates to be reasonable.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

## Boston International Holdings Plc

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)

The Company's nature of operations is to act as a special purpose acquisition Company. This significantly reduces the level of estimates and assumptions required.

#### 4. LOSS BEFORE TAXATION

The loss before income tax is stated after charging:

|  | £      |
|--|--------|
| <b>Auditors' remuneration:</b>   |        |
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | 10,000 |
| Fees payable to the Company's auditor for other services:                            | 4,114  |
| Other services relating to the London Stock Exchange Admission document              | 7,500  |

#### 5. INCOME TAX EXPENSE

The Company is regarded as resident for the tax purposes in the United Kingdom.

No tax is applicable to the Company for the period ended 31 December 2016. 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. OTHER RECEIVABLES

|             | £      |
|-------------|--------|
| Prepayments | 10,513 |

#### 7. LOSS PER SHARE

Basic loss per ordinary share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There are currently no dilutive potential ordinary shares.

|  | Earnings<br>£ | Weighted average<br>number of shares<br>Unit | Per-share<br>amount<br>Pence |
|--|---------------|--|------------------------------|
| Loss per share attributed to ordinary shareholders | (183,622)     | 29,620,948                                   | (0.006)                      |

## Boston International Holdings Plc

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)

#### 8. SHARE CAPITAL

|  |                  | Shares     | £       |
|--|------------------|------------|---------|
| Issued, called up and fully paid Ordinary shares of £0.01 each                           |                  |            |         |
| Share issue  | 18th May 2016    | 6,571,428  | 65,714  |
| Share issue  | 6th October 2016 | 23,049,520 | 230,495 |
| Issued, called up and fully paid<br>Ordinary shares of £0.01 each at 31<br>December 2016 |                  |            |         |
|  |                  | 29,620,948 | 296,209 |

#### *Share issues*

On 17th November 2015 (date of incorporation), one share was issued at £1 each. On 18 May 2016, the Founder invested £230,000 by subscribing for 6,571,328 Ordinary Shares at 3.5 pence per Ordinary Share. On 6 October 2016, the Company closed a private placing raising approximately £1,152,476 through the issue of 23,049,520 Ordinary Shares to the Places at a price of 5 pence per Ordinary Share.

#### 9. DIRECTORS REMUNERATION

Directors fees for the period

|              | Salary<br>and fees<br>£ | Benefits<br>£ | Bonus<br>£ | Total<br>£ | Pension<br>£ |
|--------------|-------------------------|---------------|------------|------------|--------------|
| W B James    | 21,000                  | -             | -          | 21,000     | -            |
| R Hartheimer | 12,500                  | -             | -          | 12,500     | -            |
| N Connell    | 12,500                  | -             | -          | 12,500     | -            |
|              | 46,000                  | -             | -          | 46,000     | -            |

The Directors were appointed for an initial term commencing on 1st July 2016 and ending on completion of the acquisition by the Company of an operating company or business, at which time each Director shall retire from office and offer himself for re-appointment by the members.

During the period to 31 December 2016 there were no staff costs, as no staff were employed by the Company, other than the Directors fees.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

**10. CAPITAL MANAGEMENT POLICY**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company consists of borrowings and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

**11. FINANCIAL RISK MANAGEMENT**

The Company uses a limited number of financial instruments, comprising cash, short-term deposits, bank loans and overdrafts and various items such as trade receivables and payables, which arise directly from operations. The Company does not trade in financial instruments.

**Financial risk factors**

The Company's activities expose it to a variety of financial risks: currency risk, credit risk, liquidity risk and cashflow interest rate risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

**a) Currency risk**

The Company does not operate internationally and its exposure to foreign exchange risk is limited to the transactions and balances that are denominated in currencies other than Pounds Sterling.

**b) Credit risk**

The Company does not have any major concentrations of credit risk related to any individual customer or counterparty.

**c) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and available funding through an adequate amount of committed credit facilities. The Company ensures it has adequate resource to discharge all its liabilities. The directors have considered the liquidity risk as part of their going concern assessment. (See note 2).

**d) Cash flow interest rate risk**

The Company has no significant interest-bearing liabilities and assets. The Company monitors the interest rate on its interest bearing assets closely to ensure favourable rates are secured.

**Fair values**

Management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)**

**12. FINANCIAL INSTRUMENTS**

The Company's principal financial instruments comprise cash and cash equivalents, trade and other receivables and trade and other payables. The Company's accounting policies and method adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial assets, financial liability and equity instrument are set out in Note 2. The Company do not use financial instruments for speculative purposes.

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

| <b>Financial assets</b>  | <b>£</b>         |
|--|------------------|
| <b><i>Loans and receivables</i></b>                            |                  |
| Other receivables  | 10,513           |
| Cash and cash equivalents                                      | 1,211,344        |
| <b>Total financial assets</b>                                  | <b>1,221,857</b> |
| <b><i>Financial liabilities measured at amortised cost</i></b> |                  |
| Other payables   | 30,978           |
| <b>Total financial liabilities</b>                             | <b>30,978</b>    |

There are no financial assets that are either past due or impaired.

**13. PENSION COMMITMENT**

The Company has no pension commitments at the end of the period.

**14. OPERATING LEASES**

During the period the company did not enter into any operating leases.

**15. RELATED PARTY TRANSACTIONS**

Key management are considered to be the directors and the key management personnel compensation has been disclosed in note 9.

During the period the Company did not enter into any material transactions with related parties. As at the balance sheet date the amounts due to the directors was £nil.

## Boston International Holdings Plc

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 17 NOVEMBER 2015 TO 31 DECEMBER 2016 (continued)

#### 16. CONTROL

The Company has been notified of the following interests of 3 per cent or more in its issued share capital as at 20<sup>th</sup> April 2017.

| <b>Shareholder</b>              | <b>Shareholding</b> | <b>%</b> |
|---------------------------------|---------------------|----------|
| Digger International Group PLTD | 7,500,000           | 25.32%   |
| Boston Merchant (HK) Limited    | 6,571,428           | 22.19%   |
| Boston Merchant Financial PLTD  | 5,100,000           | 17.22%   |
| Stephen Gibson                  | 3,000,000           | 10.13%   |
| SCA LTD                         | 2,000,000           | 6.75%    |
| David Bailey                    | 1,000,000           | 3.38%    |

#### 17. Events after the reporting date

In April 2017, an issue of 1,000,000 ordinary shares of £0.01 each at a consideration of 5 pence per share was placed in the market