

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 ("FSMA").**

This Document comprises a prospectus relating to BSF Enterprise Plc (the "Company") prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the "FCA") made under section 73A of FSMA and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

Applications will be made to the FCA for all of the ordinary shares in the Company (issued and to be issued in connection with the Placing) (the "Ordinary Shares") to be admitted to the Official List of the UK Listing Authority (the "Official List") (by way of a standard listing under Chapter 14 of the listing rules published by the UK Listing Authority under section 73A of FSMA as amended from time to time (the "Listing Rules")) and to London Stock Exchange plc (the "London Stock Exchange") for such Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities ("Admission"). It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 26 July 2019.

**THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES, AS SET OUT IN THE SECTION ENTITLED "RISK FACTORS" BEGINNING ON PAGE 17 OF THIS DOCUMENT.**

The Directors, whose names appear on page 32, and the Company accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.

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# BSF Enterprise Plc

(incorporated in England and Wales under the company number 11554014)

**Placing of 15,340,000 New Ordinary Shares of 1p each at a placing price of 5 p per New Ordinary Share and admission to the Official List of 20,340,002 Ordinary Shares of 1p each (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's main market for listed securities**

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This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada, the Republic of South Africa, the Republic of Ireland or Japan. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, the Republic of South Africa, the Republic of Ireland, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction.

The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States. The Company has not been and will not be registered under the US Investment Company Act of 1940 ("US Investment Company Act") pursuant to the exemption provided by Section 3(c)(7) thereof, and Investors will not be entitled to the benefits of the US Investment Company Act.

The Ordinary Shares have not been approved or disapproved by the US Securities Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed comment upon or endorsed the merits of the Placing or adequacy of this document. Any representations to the contrary is a criminal offence in the United States.

The distribution of this Document in or into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

**Application will be made for the Ordinary Shares to be admitted to the Official List by way of a Standard Listing. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listing on the Official List, which are subject to additional obligations under the Listing Rules.**

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## SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A - E (A.1 - E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

SECTION A—INTRODUCTION AND WARNINGS		
A.1.	<b>Warning to investors</b>	<p>This summary should be read as an introduction to this Document.</p> <p>Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the Investor.</p> <p>Where a claim relating to the information contained in this Document is brought before a court, the plaintiff Investor might under the national legislation of the EEA States, have to bear the costs of translating this Document before legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document or it does not provide, when read together with the other parts of this Document, key information in order to aid Investors when considering whether to invest in such securities.</p>
A.2.	<b>Consent for intermediaries</b>	Not applicable; this is not a public offer of securities and consent will not be given by the Company for the use of this Document for subsequent resale or final placement of securities by financial intermediaries.
SECTION B—ISSUER		
B.1.	<b>Legal and commercial name</b>	The legal and commercial name of the issuer is BSF Enterprise Plc.
B.2.	<b>Domicile / Legal form / Legislation / Country of incorporation</b>	The Company was incorporated and registered in England and Wales with company number 11554014 on 5 September 2018 as a public limited company under the Companies Act 2006.

B.3.	<p><b>Current operations / Principal activities and markets</b></p> <p><i>Introduction</i></p>	<p>The Company has been formed to undertake an Acquisition. The Company does not have any specific acquisition under consideration and does not expect to engage in substantive negotiations with any target company or business until after Admission. The expected target value for an Acquisition will be relative to the size of the Placing and the market capitalisation of the Company given that the consideration is anticipated to be a combination of Ordinary Shares and cash. The Company expects that any funds not used in connection with an Acquisition will be used for future acquisitions, internal or external growth and expansion, and working capital in relation to the acquired company or business. There will be no limit on the number of Acquisitions the Company may make and the Company may invest in a number of Acquisitions or just one. In terms of geography, it is anticipated that the Company intends on focusing its acquisition strategy principally in the UK but will also consider target Acquisitions in Europe, the U.S. and China. The Company will not exclude other geographic regions where the Company can operate competitively and have appropriate access to the relevant client base.</p> <p>Following completion of an Acquisition, the objective of the Company will be to operate the acquired business and implement an operating strategy to generate value for its Shareholders through operational improvements and potentially through additional complementary acquisitions following an Acquisition.</p> <p>Unless required by applicable law or other regulatory process, no Shareholder approval will be sought by the Company in relation to an Acquisition. An Acquisition will be treated as a reverse takeover under Chapter 5 of the Listing Rules and the Company intends to seek re-admission of the enlarged group to listing on the Official List and trading on the London Stock Exchange, or to the AIM Market operated by London Stock Exchange, or to another stock exchange.</p> <p>In assessing potential targets, the Board will consider whether and how they can generate shareholder value post-Acquisition through raising new capital through the enlarged listed entity, operational improvement, economies of scale and through “bolt on” acquisitions.</p> <p>The Company has not engaged or retained any agent or other representative to identify or locate any suitable Acquisition candidate, to conduct any research or take any measures, directly or indirectly, to locate or contact a target company or business. To date, the Company’s efforts have been limited to organisational activities as well as activities related to the Placing. The Company may subsequently seek to raise further capital to fund the working capital requirements of the Company following an Acquisition.</p>
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		<p>The Company has been created to consider opportunities within the innovation marketing and technology sector. The Company is seeking an Acquisition target that focuses on trade innovation, data-driven analytics and technology to maximise sales and assist companies enter new markets. The Company seeks an Acquisition target that uses its trade innovation and data to assist its customer base with the development of brands, products and services, marketing campaigns or improvement of products and services. In particular, the initial focus will be to concentrate on Acquisition opportunities on companies or businesses with innovative marketing solutions and which have a marketing strategy or product or technology that has potential to disrupt an existing market.</p> <p>The Board will undertake in depth market analysis in a number of related areas initially within the innovative marketing and technology sector using the Directors' experience and knowledge. Once a suitable target has been identified and a structure and valuation negotiated and agreed, financial and legal due diligence will be undertaken using professional advisers. Consideration is likely to be a combination of shares and cash.</p> <p>The expected target value for an Acquisition will be relative to the size of the Placing and the market capitalisation of the Company given that the consideration is anticipated to be a combination of Ordinary Shares and cash. At this time in the Company's life cycle, it is not anticipated that the Company will be using any form of debt financing to finance an Acquisition. In the unlikely event that the Company requires debt to finance an Acquisition (for example, in circumstances where equity financing is insufficient or unavailable to satisfy the cash proportion of the consideration), the Directors do not anticipate exceeding an amount equal to a multiple of x2 of the combined earnings before interest, taxes, depreciation and amortization of the Company and the relevant Acquisition target. Any funds not used for an Acquisition will be used for future acquisitions, internal or external growth and expansion, and working capital in relation to the acquired company or business.</p>
	<b><i>Failure to make an Acquisition</i></b>	<p>If an Acquisition has not been announced within 12 months of Admission, the Board will recommend to Shareholders that the Company continue to pursue an Acquisition for a further 12 months from the first anniversary of Admission or that the Company be wound up (in order to return capital to Shareholders to the extent assets are available). The Board's recommendation will then be put to a Shareholder vote (from which the Directors will abstain).</p>

	<b>Business strategy and execution</b>	The Company has been created to consider opportunities within the innovative marketing and technology sector.	
B.4.	<b>Significant trends</b>	The Company has not yet commenced business. There are therefore no known trends affecting the Company and the industries in which it will operate.	
B.5.	<b>Group structure</b>	Not applicable; the Company is not part of a group.	
B.6.	<b>Major shareholders</b>	On Admission, the following Shareholders will have a notifiable interest in the issued shares of the Company:	
	<b>Shareholder</b>	<b>No. of Ordinary Shares</b>	<b>Percentage of issued ordinary share capital</b>
	Yue-Ming Pan	800,000	3.93 %
	Shi Ming Chen	800,000	3.93%
	Daniel Yuan Fang	800,000	3.93%
	Qi Sai	800,000	3.93%
	Shi Ping Chen	800,000	3.93%
	Fai-Yue Lam	900,000	4.42%
	Walter Yiu-Kwong Hui	900,000	4.42 %
	Business Victor Investments Limited	2,400,000	11.80%
	Advance Plan Investments Ltd*	5,000,000	24.58%
	Trade Hero Holdings Limited	6,000,000	29.50%
	<p>*Min Yang is the director and sole shareholder of Advance Plan Investments Ltd.</p> <p>On Admission, such Shareholders will not have special voting rights and the Ordinary Shares owned by them will rank <i>pari passu</i> in all respects with other Ordinary Shares.</p>		

B.7.	<b>Selected historical key financial information</b>	The tables below set out a summary of the Company Financial Information as extracted from Part VII(B) " <i>Historical Financial Information of the Company</i> " of this Document. The Company was incorporated on 5 September 2018 and the Company Financial Information was audited up to the period ended 31 May 2019.
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<b>Balance Sheet as at 31 May 2019</b>	
<b>ASSETS</b>	
<i>Current assets</i>	<b>£</b>
Cash and cash equivalents	773,330
<b>TOTAL ASSETS:</b>	<b><u>773,330</u></b>
<b>EQUITY AND LIABILITIES</b>	
<i>Equity</i>	
Share capital	50,000
Shares to be issued	767,000
Retained deficit	(55,670)
	<b>761,330</b>
<i>Liabilities</i>	
Other payables	12,000
	<b>12,000</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>773,330</u></b>
<b>Statement of comprehensive income for the period from incorporation to 31 May 2019</b>	
	<b>£</b>
Administrative expenses	(55,670)
<b>Loss before tax</b>	<b>(55,670)</b>
Tax	-
<b>Loss after tax and total comprehensive income</b>	<b><u>(55,670)</u></b>
<b>Statement of cash flows for the period from incorporation to 31 May 2019</b>	
	<b>£</b>
Cash flows from operating activities	(43,670)
Cash flow from financing activities	817,000
<b>Net increase in cash and cash equivalents</b>	<b>773,330</b>
Cash and cash equivalents at beginning of period	-
<b>Cash and cash equivalents at end of period</b>	<b><u>773,330</u></b>

During the period ended 31 May 2019, 5,000,002 Ordinary Shares of £0.01 each were issued for cash consideration of £50,000. In addition, £767,000 of cash was received in relation to the 15,340,000 New Ordinary Shares to be issued pursuant to the Placing at the Placing Price of £0.05. As at 31 May 2019, the New Ordinary Shares remained unissued and are classified as "to be issued" on the Company's statement of financial position. During the period ended 31 May 2019, the Company incurred Legal fees of £31,612, accounting fees of £18,000, professional fees of £6,000 and £58 of bank charges, resulting in the Company having cash of £773,330 as at 31 May 2019.

Other than the significant changes set out above, there have been no other significant changes in either the financial condition or operating results of the Company in either the period ended 31 May 2019 or subsequent thereto to the date of this Document.		
B.8.	<b>Selected key pro forma financial information</b>	Not applicable.
B.9.	<b>Profit forecast or estimate</b>	Not applicable; no profit forecast or estimate is made.
B.10.	<b>Qualified audit report</b>	Not applicable; there are no qualifications in the accountant's report on the historical financial information.
B.11.	<b>Insufficient working capital</b>	Not applicable; the Company is of the opinion that the working capital available to the Company, taking into account the Net Proceeds, is sufficient for the Company's present requirements, that is for at least the 12 months from the date of this Document.
<b>SECTION C—SECURITIES</b>		
C.1.	<b>Description of the type and the class of the securities being offered</b>	Each prospective Investor will be offered one New Ordinary Share of 1p at a placing price of 5p per New Ordinary Share. The Ordinary Shares will be registered with ISIN number GB00BHNBDQ51 and SEDOL number BHNBDQ5.
C.2.	<b>Currency of the securities issue</b>	The currency of the Ordinary Shares is Pounds Sterling.
C.3.	<b>Issued share capital</b>	<p>The Subscribers were issued the Subscription Shares on 15 January 2019 and there are therefore 5,000,002 Ordinary Shares in issue and fully paid at the date of this Document.</p> <p>At the date of this Document the Company has also received commitments from Investors pursuant to the Placing to subscribe for 15,340,000 New Ordinary Shares in connection with and conditional on Admission. If Admission does not occur the Placing will not complete and funds will be returned to prospective Investors.</p>
C.4.	<b>Rights attached to the securities</b>	<p>The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution or as the Board shall determine, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares.</p> <p>Shareholders will have the right to receive notice of and to attend and vote at any meetings of members. Each</p>



		<p>Shareholder entitled to attend and being present in person or by proxy at a meeting will, upon a show of hands, have one vote and upon a poll each such Shareholder present in person or by proxy will have one vote for each Ordinary Share held by him.</p> <p>The Company must hold an annual general meeting each year in addition to any general meeting held in the year. The Directors can call a general meeting at any time in accordance with the Articles. All members who are entitled to receive notice under the Articles must be given notice.</p> <p>The Directors are generally empowered to allot equity securities (as defined in section 560 of the Companies Act) for cash as if section 561(1) of the Companies Act did not apply to any such allotment, provided that this power shall be limited to: (i) the issue of Ordinary Shares in connection with the issue of the Subscription Shares and the New Ordinary Shares pursuant to the Placing, (ii) up to an aggregate nominal value of £250,000 in connection with a rights issue or other offer made to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings and to holder of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange, and (iii) otherwise than pursuant to sub-paragraphs (i) to (ii) above, up to an aggregate nominal value of £30,000 (being equivalent to 10 per cent. of the nominal value of the Enlarged Share Capital), and this authority shall expire at the next annual general meeting of the Company or, if earlier, 14 April 2020 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that such power has expired.</p> <p>The Company may, subject to the provisions of the Companies Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors.</p> <p>If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide among the Shareholders in specie any whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division should be</p>
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		carried out as between the Shareholders or different classes of Shareholder. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.
C.5.	<b>Restrictions on transferability</b>	Not applicable; all Ordinary Shares are freely transferrable.
C.6.	<b>Application for admission to trading on a regulated market</b>	Application has been made for the Ordinary Shares to be admitted to a Standard Listing on the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that unconditional dealings will commence at 8.00 a.m. on 26 July 2019.
C.7.	<b>Dividend policy</b>	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. Prior to an Acquisition it is unlikely that the Company will have any earnings but to the extent the Company has any earnings it is the Company's current intention to retain any such 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 the Companies Act and all other applicable laws.
<b>SECTION D—RISKS</b>		
D.1	<b>Key information on the key risks that are specific to the issuer or its industry</b>	<ul style="list-style-type: none"> <li>• The Company is a newly formed entity with no operating history and has not yet identified an Acquisition. As such, the Company has no representative track record or operating history upon which investors can base their investment decisions. An investment in the Company is therefore subject to all of the risks and uncertainties associated with any new business enterprise including the risk that the Company will not achieve its investment objectives and that the value of an investment in the Company could decline and may result in the total loss of all capital invested. In addition, the Company may consider an Acquisition target which is not yet, or which may not become, profitable following any Acquisition.</li> <li>• Unless required by applicable law or other regulatory process, no Shareholder approval will be sought by the</li> </ul>

		<p>Company in relation to an Acquisition. Investors will therefore be relying on the Company's and the Board's ability to identify potential targets, evaluate their merits, conduct or monitor due diligence and conduct negotiations.</p> <ul style="list-style-type: none"> <li>• There is no assurance that the Company will identify suitable Acquisition opportunities in a timely manner or at all which could result in a loss in your investment.</li> <li>• The Company may need to contract with consultants who have more industry knowledge and experience in order to assist with identifying Acquisition targets or to assist with operational matters following an Acquisition. This will result in higher operating costs which will have an impact on the amount of funds available to the Company for Acquisitions.</li> <li>• The Company intends to issue Ordinary Shares to partly satisfy the consideration for an Acquisition which will result in the existing Shareholders' holdings being subject to dilution as a result of the issue of more Ordinary Shares.</li> <li>• The Company may acquire either less than whole voting control of, or less than a controlling equity interest in, a target, which may limit its operational strategies.</li> <li>• The Company may be unable to fund the operations of the target business if it does not obtain additional funding following completion of an Acquisition.</li> <li>• The Company is dependent upon the Directors, who are all Non Executive Directors, to identify potential Acquisition opportunities and to execute any Acquisition. The unexpected loss of the services of either Ms Yang or Mr Baker or other Directors could have a material adverse effect on the Company's ability to identify potential Acquisition opportunities and to execute an Acquisition.</li> <li>• Whilst the Directors are not limited in any way (other than by their normal duties as company directors) by way of their involvement with the Company from acting in the management or conduct of the affairs of any other company, Ms Yang and Mr Baker intend to commit an amount of time to the Company that would be standard for a Non-Executive Director working in the sector. If Ms Yang's and Mr Baker's other business opportunities require them to devote more amounts of time to such affairs, it could limit the time that they are able to spend on the Company's business, which could have a negative impact on the Company's ability to</li> </ul>
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		<p>complete an Acquisition. Should any conflicts of interest be identified they will be dealt with and resolved appropriately by such members of the Board that are not subject to the relevant conflict.</p> <ul style="list-style-type: none"> <li>• Ms Yang holds a significant shareholding in the Company and will be able to influence all matters requiring Shareholders' approval. The interests of these Shareholders may not be aligned with the interests of the other Shareholders and, notwithstanding entry into the Yang Relationship Agreement with the Company, the Company cannot be certain that this will address all eventualities.</li> <li>• Any due diligence by the Company in connection with an Acquisition may not reveal all relevant considerations or liabilities of the target business, which could have a material adverse effect on the Company's financial condition or results of operation.</li> <li>• The Company may invest in or acquire unquoted companies, joint ventures or projects which, amongst other things, may be leveraged, have limited operating histories, have limited financial resources or may require additional capital.</li> <li>• The Company has no previous operating history and is reliant on the experience of the Directors to implement the Company's strategy. The loss of the services of any of its Directors, for any reason, or failure to attract and retain necessary personnel in the future, could adversely impact the business development, financial condition, results of operations and prospects of the Company. In addition, any failure to recruit and retain effective personnel may have an impact on the Company.</li> <li>• The Company will be required to incur certain costs in researching and implementing an Acquisition. There is no guarantee that any Acquisition will be successful, but the initial costs will be incurred regardless of whether any potential Acquisition reaches completion or not. Future growth of the Company will be dependent on the Directors' ability to manage the Company and maintain effective cost controls. Failure in this area may result in a material adverse effect on the Company.</li> </ul>
D.2	<b>Key information on the key risks that are specific to the securities</b>	<p><i>The Ordinary Shares</i></p> <ul style="list-style-type: none"> <li>• The proposed Standard Listing of the Ordinary Shares will not afford Shareholders the opportunity to vote to approve an Acquisition unless the relevant Acquisition</li> </ul>

		<p>requires Shareholder approval under applicable law or other regulatory process.</p> <ul style="list-style-type: none"> <li>• A suspension of the Company's Ordinary Shares, as a result of the FCA determining that there is insufficient information in the market about an Acquisition or the target, would materially reduce liquidity in such shares, which may affect an Investor's ability to realise some or all of its investment and/or the price at which such Investor can effect such realisation. In the event of such suspension, the value of the Investors' shareholdings may be materially reduced.</li> <li>• It is likely that the Company will need to apply for readmission of the Company's Ordinary Shares to the extent that an Acquisition is treated as a reverse takeover for the purposes of Chapter 5 of the Listing Rules. A cancellation of the listing of the Company's Ordinary Shares by the FCA would prevent the Company from raising equity finance on the public market, or to carry out a further acquisition using share consideration, restricting its business activities and resulting in incurring unnecessary costs.</li> <li>• The Company is applying for a Standard Listing on the Official List in accordance with Chapter 14 of the Listing Rules. As a result, the Shareholders will be afforded a lower level of regulatory protection than that afforded to investors of a company with a Premium Listing. For example, the Company will not be appointing a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The application of the Listing Rules regarding significant transactions and related party transactions (which requires shareholder approval if a company has a Premium Listing) will not apply to the Company. In addition, the UK Listing Authority will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply.</li> <li>• There is no existing market for the Company's Ordinary Shares and an active trading market for the Ordinary Shares may not develop, or if developed, may not be maintained. In addition, even if a market develops, the price of the Ordinary Shares may be subject to volatility due to a number of factors which may be unrelated to the Company's operating performance and might be outside the Company's control. As a result of such volatility, Shareholders may experience a</li> </ul>
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		<p>negative or no return on monies invested in the Company.</p> <ul style="list-style-type: none"> <li>Following Admission, the Company may need to raise additional funds if the target is not sufficiently cash generative. If additional funds are required, the existing Shareholders' holdings may be subject to dilution and/or issued shares may have preferred rights, options or pre-emption rights senior to those of the Ordinary Shares.</li> </ul>
<b>SECTION E—OFFER</b>		
E.1	<b>Total net proceeds / expenses</b>	<p>The Net Proceeds are approximately £497,000. The total expenses incurred (or to be incurred) by the Company in connection with Admission, the Placing and the incorporation (and initial capitalisation) of the Company are approximately £270,000.</p>
E.2a	<b>Reasons for the offer and use of proceeds</b>	<p>The Company has been formed to undertake an Acquisition. The expected target value for an Acquisition will be relative to the size of the Placing and the market capitalisation of the Company given that the consideration is anticipated to be a combination of Ordinary Shares and cash. The Company expects that any funds not used in connection with an Acquisition will be used for future acquisitions, internal or external growth and expansion, and working capital in relation to the acquired company or business. The Company intends to use a combination of shares and cash as consideration for an Acquisition. In terms of geography, it is anticipated that the Company intends on focusing its acquisition strategy principally in the UK but will also consider target Acquisitions in Europe, the U.S. and China. The Company will not exclude other geographic regions where the Company can operate competitively and have appropriate access to the relevant client base.</p> <p>Following completion of an Acquisition, the objective of the Company is expected to be to operate the acquired business and implement an operating strategy with a view to generating value for its shareholders.</p> <p>Prior to completing an Acquisition, the Net Proceeds will be held in the bank account of the Company held with Bank of China (UK) Limited, or such money market fund instruments as approved by the Directors. The estimated amount of the Net Proceeds is anticipated to be approximately £497,000. The intended use of the Net Proceeds will be as follows: (i) Identifying appropriate Acquisition targets and carrying out commercial and financial due diligence (approximately £17,000) (ii)</p>

		<p>Carrying out legal due diligence and preparation of transactional documentation in respect of Acquisition and completing Acquisition (approximately £400,000); and (iii) General corporate and working capital purposes (approximately £80,000).</p> <p>The Company's primary intention is to use the Net Proceeds to enable it to evaluate potential Acquisition targets, complete the Acquisition and to pay professional fees (i.e. due diligence, legal fees, accountants' fees) in relation to an Acquisition, which may include additional acquisitions following an Acquisition.</p> <p>An Acquisition will be treated as a reverse takeover under Chapter 5 of the Listing Rules and the Company intends to seek re-admission of the enlarged group to listing on the Official List and trading on the London Stock Exchange, or to the AIM Market operated by London Stock Exchange, or to another stock exchange.</p>
E.3	<b>Terms and conditions of the offer</b>	<p>Each prospective Investor will be offered New Ordinary Shares of 1p at a placing price of 5p per New Ordinary Share. The Directors have received irrevocable undertakings from prospective Investors to subscribe for 15,340,000 New Ordinary Shares in aggregate at the Placing Price conditional on Admission.</p> <p>The Placing is conditional on Admission having become effective on or before 8.00 a.m. on 26 July 2019 (or such later time and/or date as the Company may determine).</p> <p>The Subscribers have subscribed for and have been issued the Subscription Shares, issued at nominal value, pursuant to the Subscription Letters.</p>
E.4	<b>Material interests</b>	Not applicable; there is no interest that is material to the issue/offer.
E.5	<b>Selling Shareholders / Lock-up agreements</b>	Not applicable; no person or entity is offering to sell the relevant securities. No persons will be entering into lock-up agreements.
E.6	<b>Dilution</b>	Pursuant to the Placing, 15,340,000 New Ordinary Shares have been subscribed for by Investors at the Placing Price conditional on Admission, representing 75.4 per cent. of the Enlarged Share Capital. The Placing and Admission will result in the Existing Ordinary Shares being diluted so as to constitute 24.59 per cent of the Enlarged Share Capital.

E.7	<b>Expenses charged to investors</b>	Not applicable; no expenses will be charged to the Investors.
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## RISK FACTORS

*Investment in the Company and the Ordinary Shares carries a significant degree of risk, including risks in relation to the Company's business strategy, potential conflicts of interest, risks relating to taxation and risks relating to the Ordinary Shares.*

*Prospective investors should note that the risks relating to the Company, its proposed sector of activity and the Ordinary Shares summarised in the section of this document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.*

*The risks referred to below are those risks the Company and the Directors consider to be the material risks relating to the Company. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Company's business, financial condition, results of operations or prospects. Investors should review this Document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, Investors could lose all or part of their investment.*

### RISKS RELATING TO THE COMPANY'S BUSINESS STRATEGY

*The Company is a newly formed entity with no operating history and has not yet identified any potential target company or business for an Acquisition*

The Company is a newly formed entity with no operating results and it will not commence operations prior to obtaining the Net Proceeds. The Company lacks an operating history and therefore Investors have no basis on which to evaluate the Company's ability to achieve its objective of identifying, acquiring and operating a company or business. Currently, there are no plans, arrangements or understandings with any prospective target company or business regarding an Acquisition and the Company may acquire a target company or business that does not meet the Company's stated acquisition criteria. The Company will not generate any revenues from operations unless it completes an Acquisition.

Unless required by applicable law or other regulatory process, no Shareholder approval will be sought by the Company in relation to an Acquisition. Investors will therefore be relying on the Company's and the Board's ability to identify potential targets, evaluate their merits, conduct or monitor due diligence and conduct negotiations.

Although the Company will seek to evaluate the risks inherent in a particular target business (including the industries and geographic regions in which it operates), it cannot offer any assurance that it will make a proper discovery or assessment of all of the significant risks. Furthermore, no assurance may be made that an investment in Ordinary Shares will ultimately prove to be more favourable to Investors than a direct investment, if such opportunity were available, in any target company or business. In addition, the Company may consider an Acquisition target which is not yet, or which may not become, profitable following any Acquisition.

*There is no assurance that the Company will identify suitable Acquisition opportunities in a timely manner or at all which could result in a loss of your investment*

The success of the Company's business strategy is dependent on its ability to identify sufficient suitable Acquisition opportunities. The Company cannot estimate how long it will take to identify suitable Acquisition opportunities or whether it will be able to identify any suitable Acquisition opportunities at all within one year after the date of Admission. If the Company fails to complete a proposed Acquisition (for example, because it has been outbid by a competitor) it may be left with substantial unrecovered transaction costs, potentially including fees, legal costs, accounting costs, due diligence or other expenses to allow it to pursue further opportunities. Furthermore, even if an agreement is reached relating to a proposed Acquisition, the Company may fail to complete such Acquisition for reasons beyond its control. Any such event will result in a loss to the Company of the related costs incurred, which could materially adversely affect subsequent attempts to identify and acquire another target business.

In the event that an Acquisition has not been announced within 12 months of Admission the Board will ask Shareholders either to approve to continue pursuing an Acquisition for a further 12 months or the liquidation and dissolution of the Company and

distribution of the remaining assets of the Company (if any) to Shareholders in accordance with the Articles. A liquidation might result in Investors receiving less than the initial Placing Price of £0.05 per Ordinary Share and investors who acquired Ordinary Shares after Admission potentially receiving less than they invested.

***The Board may need to appoint consultants with specialist industry knowledge***

Whilst the Board comprises a knowledgeable and experienced group of professionals with extensive experience of making international acquisitions, advising on corporate finance transactions and have some background in the innovation marketing and technology sector, the Company may need to contract with consultants who have more industry knowledge and experience in order to assist with identifying or selecting a target in respect of an Acquisition or to assist with certain operational matters following an Acquisition. Contracting additional personnel will mean the Company will have higher operating costs which will have a negative impact on the funds available to the Company for Acquisitions.

***The Company intends to issue Ordinary Shares as consideration for an Acquisition***

The Company intends to issue Ordinary Shares and cash as consideration for an Acquisition. There is no guarantee that Ordinary Shares will be an attractive offer for the shareholders of any company or business which the Company identifies as a suitable Acquisition opportunity. If the Company identifies a target company which is not willing to accept share consideration, it may decide not to effect such transaction (and pursue an alternative opportunity) the Company may be left with unrecovered transaction costs, potentially including fees, legal costs, accounting costs, due diligence or other expenses which may limit the Company's options as to future potential Acquisitions. In addition, the existing Shareholders' holdings will be subject to dilution as a result of the issue of Ordinary Shares to partly satisfy the consideration due in respect of an Acquisition.

***Even if the Company completes an Acquisition, there is no assurance that any operating improvements will be successful or, that they will be effective in increasing the valuation of any business acquired***

Following an Acquisition the Company will endeavour to generate Shareholder value through capital adequacy, operational improvements, economies of scale and through an acquisition programme. However, there can be no assurance that the Company will be able to propose and implement effective operational improvements for any company or business which the Company acquires. In addition, even if the Company completes an Acquisition, general economic and market conditions or other factors outside the Company's control could make the Company's operating strategies difficult or impossible to implement. Any failure to implement these operational improvements successfully and/or the failure of these operational improvements to deliver the anticipated benefits could have a material adverse effect on the Company's results of operations and financial condition.

***The Company may face significant competition for Acquisition opportunities***

There may be significant competition in some or all of an Acquisition opportunities that the Company may explore. Such competition may for example come from strategic buyers, sovereign wealth funds, other special purpose acquisition companies and public and private investment funds many of which are well established and have extensive experience in identifying and completing acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Company. The Company cannot assure Investors that it will be successful against such competition. Such competition may cause the Company to be unsuccessful in executing an Acquisition or may result in a successful Acquisition being made at a significantly higher price than would otherwise have been the case.

***Any due diligence by the Company in connection with an Acquisition may not reveal all relevant considerations or liabilities of the target business, which could have a material adverse effect on the Company's financial condition or results of operations***

The Company intends to conduct such due diligence as it deems reasonably practicable and appropriate based on the facts and circumstances applicable to any potential Acquisition. The objective of the due diligence process will be to identify material issues which might affect the decision to proceed with any one particular acquisition target or the consideration payable for an Acquisition. The Company also intends to use information revealed during the due diligence process to formulate its business and operational planning for, and its valuation of, any target company or business. Whilst conducting due diligence and assessing a potential Acquisition, the Company will rely on publicly available information, if any, information provided by the relevant target company to the extent such company is willing or able to provide such information and, in some circumstances, third party investigations.

There can be no assurance that the due diligence undertaken with respect to a potential Acquisition will reveal all relevant facts that may be necessary to evaluate such Acquisition including the determination of the price the Company may pay for an

acquisition target, or to formulate a business strategy. Furthermore, the information provided during due diligence may be incomplete, inadequate or inaccurate. As part of the due diligence process, the Company will also make subjective judgments regarding the results of operations, financial condition and prospects of a potential opportunity. If the due diligence investigation fails to correctly identify material issues and liabilities that may be present in a target company or business, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with an Acquisition, the Company may subsequently incur substantial impairment charges or other losses. In addition, following an Acquisition, the Company may be subject to significant, previously undisclosed liabilities of the acquired business that were not identified during due diligence and which could contribute to poor operational performance, undermine any attempt to restructure the acquired company or business in line with the Company's business plan and have a material adverse effect on the Company's financial condition and results of operations.

***If the Company acquires less than either the whole voting control of, or less than the entire equity interest in, a target company or business, its decision-making authority to implement its plans may be limited and third party minority shareholders may dispute the Company's strategy***

The Company intends to acquire a controlling interest in a single target company or business. Although the Company (or its successor) may acquire the whole voting control of a target company or business, it may consider acquiring a controlling interest constituting less than the whole voting control or less than the entire equity interest of that target company or business if such opportunity is attractive or where the Company (or its successor) would acquire sufficient influence to implement its strategy. If the Company acquires either less than the whole voting control of, or less than the entire equity interest in, a target company or business, the remaining ownership interest will be held by third parties. Accordingly, the Company's decision-making authority may be limited. Such Acquisition may also involve the risk that such third parties may become insolvent or unable or unwilling to fund additional investments in the target. Such third parties may also have interests which are inconsistent or conflict with the Company's interests, or they may obstruct the Company's strategy for the target or propose an alternative strategy. Any third party's interests may be contrary to the Company's interests. In addition, disputes among the Company and any such third parties could result in litigation or arbitration. Any of these events could impair the Company's objectives and strategy, which could have a material adverse effect on the continued development or growth of the acquired company or business.

***The Company may be unable to complete an Acquisition or to fund the operations of the target business if it does not obtain additional funding***

Although the Company has not identified a prospective target company or business and cannot currently predict the amount of additional capital that may be required, once an Acquisition has been made, if the target is not sufficiently cost generative, further funds may need to be raised following the first anniversary of Admission.

If, following an Acquisition, the Company's cash reserves are insufficient, the Company will likely be required to seek additional equity or debt financing following the first anniversary of Admission. The Company may not receive sufficient support from its existing Shareholders to raise additional equity, and new equity investors may be unwilling to invest on terms that are favourable to the Company, or at all. Lenders may be unwilling to extend debt financing to the Company on attractive terms, or at all. The Company may subsequently require equity or debt financing to implement operational improvements in the acquired business following the first anniversary of Admission. The failure to secure additional financing or to secure such additional financing on terms acceptable to the Company could have a material adverse effect on the continued development or growth of the acquired business.

***The Company may issue shares or convertible debt securities or incur indebtedness to complete an Acquisition, which may dilute the interests of Shareholders or present other risks, including a decline in post-acquisition operating results due to increased interest expense or an adverse effect on liquidity as a result of acceleration of its indebtedness***

Any issuance of Ordinary Shares, preferred shares or convertible debt securities required in order to complete an Acquisition may:

- significantly dilute the value of the Ordinary Shares held by existing Shareholders;
- cause a Change of Control if a substantial number of Ordinary Shares are issued, which may, among other things, result in the resignation or removal of one or more of the Directors;
- in certain circumstances, have the effect of delaying or preventing a Change of Control;
- subordinate the rights of holders of Ordinary Shares if preferred shares are issued with rights senior to those of Ordinary Shares; or

- adversely affect the market prices of the Ordinary Shares.

Where Ordinary Shares, preferred shares or convertible debt securities are issued as consideration for an Acquisition, existing Shareholders will have no pre-emptive rights with regard to the securities that are issued. The issuance of such Ordinary Shares, preferred shares or convertible debt securities is likely to materially dilute the value of the Ordinary Shares held by existing Shareholders. Where a target company has an existing large shareholder, an issue of Ordinary Shares, preferred shares or convertible debt securities as consideration may result in such shareholder subsequently holding a significant or majority stake in the Company, which may, in turn, enable it to exert significant influence over the Company (to a greater or lesser extent depending on the size of its holding). The Company has entered into the Yang Relationship Agreement in accordance with the provisions of Chapter 6 of the Listing Rules which apply to Premium Listed companies but this does not guarantee that the Company will be able to ensure that it will at all times be capable of carrying on business independently of Ms Yang and that all transactions and arrangements between the Company and Ms Yang are carried out at arm's length and on normal commercial terms. .

Although the Company intends to use cash and share consideration in relation to an Acquisition, the Company may be required to finance a portion of an Acquisition with debt financing (for example, in circumstances where equity financing is insufficient or unavailable to satisfy the cash proportion of the consideration), subject to it being able to service the interest and manage the repayment of the debt following an Acquisition by virtue of a reliable sales outlook. The maximum aggregate amount of debt would be unlikely to exceed an amount greater than a multiple of x2 the combined earnings before interest, taxes, depreciation and amortization of the Company and the relevant Acquisition target. Whilst the Company does not envisage incurring any indebtedness in relation to an Acquisition, if this were to be the case, indebtedness could result in:

- default and foreclosure on the Company's assets, if its cash flow from operations were insufficient to pay its debt obligations as they become due;
- acceleration of its obligation to repay indebtedness, even if it has made all payments when due, if it breaches, without a waiver, covenants that require the maintenance of financial ratios or reserves or impose operating restrictions;
- a demand for immediate payment of all principal and accrued interest, if any, if the indebtedness is payable on demand; or
- an inability to obtain additional financing, if any indebtedness incurred contains covenants restricting its ability to incur additional indebtedness.

The occurrence of any or a combination of these factors could decrease a Shareholder's ownership interests in the Company or have a material adverse effect on its financial condition and results of operations.

***An Acquisition may result in adverse tax, regulatory or other consequences for Shareholders which may differ for individual Shareholders depending on their status and residence***

As no Acquisition target has yet been identified, it is possible that any acquisition structure determined necessary by the Company to consummate an Acquisition may have adverse tax, regulatory or other consequences for Shareholders which may differ for individual Shareholders depending on their individual status and residence.

***The Company may be unable to hire or retain personnel required to support the Company after an Acquisition***

Following completion of an Acquisition, the Company will evaluate the personnel of the acquired business and may determine that it requires increased support to operate and manage the acquired business in accordance with the Company's overall business strategy. There can be no assurance that existing personnel of the acquired business will be adequate or qualified to carry out the Company's strategy, or that the Company will be able to hire or retain experienced, qualified employees to carry out the Company's strategy.

***The Company will be subject to restrictions in offering its Ordinary Shares as consideration for an Acquisition in certain jurisdictions and may have to provide alternative consideration, which may have an adverse effect on its operations***

The Company may offer its Ordinary Shares or other securities as part of the consideration to fund, or in connection with, an Acquisition. However, certain jurisdictions may restrict the Company's use of its Ordinary Shares or other securities for this

purpose, which could result in the Company needing to use alternative sources of consideration. Such restrictions may limit the Company's available Acquisition opportunities or make a certain Acquisition more costly.

If the Company were to implement an Acquisition by way of a takeover offer for a target, subject to the City Code, a derogation granted by the Takeover Panel would be required to implement such consideration structure under the City Code. There can be no assurance that the Takeover Panel would grant such a derogation. This need to comply with the City Code in a takeover offer may adversely impact the Company's ability to implement the most efficient structure for acquiring a target company or business.

***If an Acquisition is completed, the Company will be a holding company whose principal source of operating cash will be income received from the business it has acquired***

If an Acquisition is identified and subsequently completed, the Company will be dependent on the income generated by the acquired business to meet the Company's expenses and operating cash requirements. The amount of distributions and dividends, if any, which may be paid from any operating subsidiary to the Company will depend on many factors, including such subsidiary's results of operations and financial condition, limits on dividends under applicable law, its constitutional documents, documents governing any indebtedness of the Company, and other factors which may be outside the control of the Company. If the acquired business is unable to generate sufficient cash flow, the Company may be unable to pay its expenses or make distributions and dividends on the Ordinary Shares.

***The Company expects to acquire a controlling interest in a single company or business which will increase the risk of loss associated with underperforming assets***

The Company expects that if an Acquisition is completed, its business risk will be concentrated in a single company or business unless or until any additional Acquisitions are made. A consequence of this is that returns for Shareholders may be adversely affected if growth in the value of the acquired business is not achieved or if value of the acquired business or any of its material assets subsequently are written down. Accordingly, Shareholders should be aware that the risk of investing in the Company could be greater than investing in an entity which owns or operates a range of businesses and businesses in a range of sectors. The Company's future performance and ability to achieve positive returns for Shareholders will therefore be solely dependent on the subsequent performance of the acquired business. There can be no assurance that the Company will be able to propose effective operational and restructuring strategies for any company or business which the Company acquires and, to the extent that such strategies are proposed, there can be no assurance they will be implemented effectively.

***The Company may be subject to foreign investment and exchange risks***

The Company's functional and presentational currency is sterling. As a result, the Company's consolidated financial statements will carry the Company's assets in sterling. Any business the Company acquires may denominate its financial information in a currency other than sterling, conduct operations or make sales in currencies other than sterling. When consolidating a business that has functional currencies other than sterling, the Company will be required to translate, inter alia, the balance sheet and operational results of such business into sterling. Due to the foregoing, changes in exchange rates between sterling and other currencies could lead to significant changes in the Company's reported financial results from period to period. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political or regulatory developments. Although the Company may seek to manage its foreign exchange exposure, including by active use of hedging and derivative instruments, there is no assurance that such arrangements will be entered into or available at all times when the Company wishes to use them or that they will be sufficient to cover the risk.

***The Company may be subject to risks particular to one or more countries in which it ultimately operates, which could negatively impact its operations***

Whilst the Company anticipates that any proposed Acquisition target will be located in the UK, the Company may acquire a target company or business in Europe or elsewhere in the US or China, or with substantial operations in, a number of jurisdictions, any of which may expose it to considerations or risks associated with companies operating in such jurisdictions, including but not limited to: regulatory and political uncertainty; tariffs, trade barriers and regulations related to customs and import/export matters; international tax issues, such as tax law changes and variations in tax laws; cultural and language differences; rules and regulations on currency conversion or corporate withholding taxes on individuals; currency fluctuations and exchange controls; employment regulations; crime, strikes, riots, civil disturbances, terrorist attacks and wars; and deterioration of relevant political relations. Any exposure to such risks due to the countries in which the Company operates following an Acquisition could negatively impact the Company's operations.

### ***United Kingdom leaving the European Union***

The effect of the United Kingdom leaving the European Union (Brexit) cannot currently be quantified. The long-term nature of the United Kingdom's relationship with the European Union is unclear and there is considerable uncertainty when any relationship will be agreed and implemented. Brexit may result in increased import/export costs for companies due to the disruption of the principles of free movement of goods, services and people between the United Kingdom and the European Union. The political and economic instability created by Brexit may cause volatility in global financial markets and may create uncertainty regarding the regulation of data protection and intellectual property in the United Kingdom. Consequently, no assurance can be given about the impact of Brexit on the innovative marketing and technology sector.

### ***The Company may invest in or acquire unquoted companies, joint ventures or projects which, amongst other things, may be leveraged, have limited operating histories, have limited financial resources or may require additional capital***

All or any of these factors may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company. For investments in companies which are at a relatively early stage of development, there can be no assurance that successful operations will develop and such operations may require the injection of further capital that the Company is unable or unwilling to meet, which could have a material adverse effect on the Company. Investments in unquoted companies and companies quoted on exchanges other than the Official List may involve a higher degree of risk and Shareholders may have fewer regulatory protections than investments on the Official List. The shares of such companies may also be less liquid which could affect the Company's ability to realise its investment. The companies in which the Company may invest will be subject to market factors and as such may experience decreased revenues, financial losses and requirements for additional funding. Whilst the Company is intending to invest for the longer term and thus many of these risks may be mitigated over time, there remains a risk that the requirements of the Company's investments may have a negative impact on the operating performance of the Company. Further, whilst the Company would only likely acquire a target with debt at or below an amount equal to a multiple of x2 of the combined earnings before interest, taxes, depreciation and amortization of the Company and the relevant Acquisition target, such debt could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company going forward.

## **RISKS RELATING TO THE TRADE INNOVATION MARKETING AND TECHNOLOGY SECTOR**

### ***A potential Acquisition target's business may face competition from a range of other companies***

A potential Acquisition target's competitors in the innovation marketing and technology sector may have superior research and development capabilities, products, programming capability or sales and marketing expertise. Its competitors may also have significantly greater financial and human resources and may have more experience in research and development. As a result, an Acquisition target's competitors may develop safer or more effective products, implement more effective sales and marketing programmes or be able to establish superior proprietary positions. In addition, it might also face increased competition in the future as new companies enter such Acquisition target's markets and alternative products and technologies become available.

### ***Technological changes could overtake marketing products being developed by an Acquisition target***

The technology industry is subject to rapid technological change which could affect the commercial viability of an Acquisition target's products and make them obsolete or less competitive. The Acquisition target may experience significant delays in releasing new or enhanced software products and its position in the market could be harmed and its revenue could be substantially reduced, which would adversely affect operating results. An Acquisition target may be unable to successfully establish and protect their intellectual property which is significant to an Acquisition target's competitive position.

### ***Technical software defects could harm revenue***

As a result of their complexity, software products may contain undetected errors or failures when entering the market. Despite testing which may be performed by the Acquisition target and use by current and potential customers, defects and errors may be found in new software products after commencement of the offering of a network service using these software products. In these circumstances, the Acquisition target may be unable to successfully correct the errors in a timely manner or at all. The occurrence of errors and failures in such software products could result in negative publicity and a loss of, or delay in, market acceptance of those software products. Such publicity could reduce revenue from new licenses and lead to customer attrition.

### ***Intellectual property rights may be infringed or circumvented***

Technology businesses rely on a combination of goodwill, contractual rights, trademarks, trade secrets, patents and copyrights to establish and protect their intellectual property rights in their technology and products. However, despite these measures, these intellectual property rights could be challenged, invalidated, circumvented or misappropriated. Competitors may

independently develop technologies or products that are substantially equivalent or superior to a target's products or that inappropriately incorporate a target's proprietary technology into their products.

***The rapid development of technology and marketing strategies***

Although the market expects rapid development and commercial introduction of new products or product enhancements to respond to changing infrastructure and evolving security threats, the development of these products is difficult and the timeline for their release and availability can be uncertain. If the Company does not respond to the rapidly changing markets and rigorous needs of consumers by timely developing and releasing new products and services or enhancements that can respond adequately to new security threats, the Company's competitive position and business prospects will be harmed. The Company is therefore likely to have significant research and development expenses as it strives to remain competitive. New product development and introduction involves a significant commitment of time and resources and is subject to a number of risks and challenges.

***The Company may incur liability as a result of content published or made available through its products and services***

Technology businesses face claims relating to the content that is published or made available through their products and services. In particular, there is a risk of claims related to intellectual property rights, rights of publicity and privacy, illegal content and content regulation. The Company could incur significant costs investigating and defending these claims.

***Dependence on other parties for innovation marketing and technology***

An Acquisition target may be reliant on other parties for the successful development and commercialisation of its marketing strategies. An Acquisition target is therefore at risk of under-performance by third parties, exploitation by third parties of its commercial dependence and by unforeseen interruptions to third parties' businesses. The failure of a third party properly to carry out their contractual duties or regulatory obligations would be disruptive to an Acquisition target's business. Further, any action taken by a third party that is detrimental to an Acquisition target's reputation could have a negative impact on its ability to register its trademarks and/or market and sell its products.

**RISKS RELATING TO THE ORDINARY SHARES**

***The proposed Standard Listing of the Ordinary Shares will afford Investors a lower level of regulatory protection than a Premium Listing***

Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford Investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules.

Whilst the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with the Placing and Admission;
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing;
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted therefore that any Acquisition will not require Shareholder consent, even if Ordinary Shares are being issued as consideration for an Acquisition;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a "related party transaction" as defined in Chapter 11 of the Listing Rules without the specific prior approval of those Directors who do not constitute a related party;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

***The Company may be unable to transfer to a Premium Listing or other appropriate stock market following an Acquisition***

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules. Upon completion of an Acquisition, the Directors may seek to transfer from a Standard Listing to either a Premium Listing or other appropriate stock market, based on the track record of the company or business it acquires, subject to fulfilling the relevant eligibility criteria at the time. There can be no guarantee that the Company will meet such eligibility criteria or that a transfer to a Premium Listing or other appropriate stock market will be achieved. For example, such eligibility criteria may not be met, due to the circumstances and internal control systems of the acquired business or if the Company acquires less than a controlling interest in the target. In

addition there may be a delay, which could be significant, between the completion of an Acquisition and the date upon which the Company is able to seek or achieve a Premium Listing or a listing on another stock exchange.

If the Company does not achieve a Premium Listing or the Directors decide to maintain the Standard Listing, the Company will not be obliged to comply with the higher standards of corporate governance or other requirements which it would be subject to upon achieving a Premium Listing and, for as long as the Company continues to have a Standard Listing, it will be required to continue to comply with the lesser standards applicable to a company with a Standard Listing. This would mean that the Company could be operating a substantial business but would not need to comply with such higher standards as a Premium Listing provides.

***If the Company proposes making an Acquisition and the FCA determines that there is insufficient information in the market about an Acquisition or the target, the Ordinary Shares may be suspended from listing, which will reduce liquidity in the Ordinary Shares, potentially for a significant period of time, and may adversely affect the price at which a Shareholder can sell them.***

If an Acquisition occurs, it will be treated as a reverse takeover (within the meaning given to that term in Chapter 5 of the Listing Rules).

Generally, when a reverse takeover is announced or leaked, there will be insufficient publicly available information in the market about the proposed transaction and the listed company will be unable to assess accurately its financial position and inform the market appropriately. In this case, the FCA will often consider that suspension of the listing of the listed company's securities will be appropriate. The London Stock Exchange will suspend the trading in the listed company's securities if the listing of such securities has been suspended. However, if the FCA is satisfied that there is sufficient publicly available information about the proposed transaction it may agree with the listed company that a suspension is not required. The FCA will generally be satisfied that a suspension is not required in the following circumstances: (i) the target company is admitted to listing on a regulated market or another exchange where the disclosure requirements in relation to financial information and inside information are not materially different than the disclosure requirements under the Disclosure Guidance and Transparency Rules; or (ii) the issuer is able to fill any information gap at the time of announcing the terms of the transaction, including the disclosure of relevant financial information in relation to the target and a description of the target.

If information regarding a significant proposed transaction were to leak to the market, or the Board considered that there were good reasons for announcing the transaction at a time when it was unable to provide the market with sufficient information regarding the impact of an Acquisition on its financial position, the Ordinary Shares may be suspended. Any such suspension would be likely to continue until sufficient financial information on the transaction was made public. Depending on the nature of the transaction (or proposed transaction) and the stage at which it is leaked or announced, it may take a substantial period of time to compile the relevant information, particularly where the target does not have financial or other information readily available which is comparable with the information a listed company would be expected to provide under the Disclosure Guidance and Transparency Rules and the Listing Rules (for example, where the target business is not itself already subject to a public disclosure regime), and the period during which the Ordinary Shares would be suspended may therefore be significant.

A suspension of the listing of the Ordinary Shares would materially reduce liquidity in such shares which may affect an Investor's ability to realise some or all of its investment and/or the price at which such Investor can effect such realisation.

***On completion of a reverse takeover, the FCA may seek to cancel the listing of the Company's Ordinary Shares and they may not be readmitted to trading thereafter***

Chapter 5 of the Listing Rules provide that the FCA will generally seek to cancel the listing of a listed company's securities when it completes a reverse takeover. In such circumstances, the Company may seek the re-admission to listing either simultaneously with completion of an Acquisition or as soon thereafter as is possible but there is no guarantee that such re-admission would be granted by the FCA. Unless required by applicable law or other regulatory process, no Shareholder approval will be sought by the Company.

A cancellation of the listing of the Ordinary Shares would materially reduce liquidity in such shares which may affect an Investor's ability to realise some or all of its investment and/or the price at which such Investor can effect such realisation. There is unlikely to be a market for shares where their listing has been cancelled and if a reverse takeover were to occur but the Company's Ordinary Shares were not readmitted, the Company would not be able raise any equity or debt financing on the public market, or carry out a further acquisition using listed share consideration, which would restrict its business activities and particularly result in incurring unnecessary costs.



***There is currently no market for the Ordinary Shares, notwithstanding the Company's intention to be admitted to trading on the London Stock Exchange. A market for the Ordinary Shares may not develop, which would adversely affect the liquidity and price of the Ordinary Shares***

There is currently no market for the Ordinary Shares. Therefore, Investors cannot benefit from information about prior market history when making their decision to invest. The price of the Ordinary Shares after the Placing also can vary due to a number of factors, including but not limited to, general economic conditions and forecasts, the Company's general business condition and the release of its financial reports. Although the Company's current intention is that its securities should continue to trade on the London Stock Exchange, it cannot assure you that it will always do so. In addition, an active trading market for the Ordinary Shares may not develop or, if developed, may not be maintained. Investors may be unable to sell their Ordinary Shares unless a market can be established and maintained, and if the Company subsequently obtains a listing on an exchange in addition to, or in lieu of, the London Stock Exchange, the level of liquidity of the Ordinary Shares may decline.

***Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable***

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor, together with the number of Ordinary Shares to be issued pursuant to the Placing, may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the Placing Price.

***Dividend payments on the Ordinary Shares are not guaranteed and the Company does not intend to pay dividends prior to an Acquisition***

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends following (but not before) an Acquisition, at such times (if any) and in such amounts (if any) as the Board determines appropriate and in accordance with applicable law, but expects to be principally reliant upon dividends received on shares held by it in any operating subsidiaries in order to do so. Payments of such dividends will be dependent on the availability of any dividends or other distributions from such subsidiaries. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

## **RISKS RELATING TO THE COMPANY'S RELATIONSHIP WITH THE DIRECTORS AND CONFLICTS OF INTEREST**

***The Company is dependent upon the Board to identify potential acquisition opportunities and to execute an Acquisition and the loss of the services of any of the Directors could materially adversely affect it***

The Company is dependent upon the Directors, who are all Non Executive Directors, to identify potential acquisition opportunities and to execute an Acquisition. The Company does not have key-man insurance on the lives of the Directors. The unexpected loss of the services of any of the Directors could have a material adverse effect on the Company's ability to identify potential acquisition opportunities and to execute an Acquisition.

***The Directors may undertake activities for other companies which may impact the time that they are able to spend on the Company's business***

Whilst the Directors are not limited in any way (other than by their normal duties as company directors) by way of their involvement with the Company from acting in the management or conduct of the affairs of any other company, Ms Yan and Mr Baker intend to commit an amount of time to the Company that would be standard for a non-executive director working in the sector. Ms Yang and Mr Baker will dedicate sufficient time to the Company as necessary to meet its objectives and each will manage their time such that they are fully able to fulfil their duties as Directors to the Company and their board duties in respect of their other business interests. If Miss Yang's and Mr Baker's other business opportunities require them to devote more amounts of time to such affairs, it could limit the time that they are able to spend on the Company's business, which could have a negative impact on the Company's ability to complete an Acquisition. Should any conflicts of interest be identified they will be dealt with and resolved appropriately by such members of the Board that are not subject to the relevant conflict.

### **Substantial Shareholders owning a significant percentage of the Ordinary Shares**

On Admission, Ms Yang will own 24.58 per cent of the Enlarged Share Capital. Ms Yang has entered into the Yang Relationship Agreement with the Company so that the Company is able to carry on business independently of Ms Yang and that all transactions and relationships between her and the Company are carried out at arm's length on a normal commercial basis. Although the Yang Relationship Agreement is entered into to prevent Ms Yang from abusing her significant influence over the Company, the interests of Ms Yang may not be the same as the interests of minority shareholders or investors in the Company and she may make decisions which may have an adverse effect on investments in Ordinary Shares and or the business operations of the Company.

On Admission, Trade Hero Holdings Limited will own 29.50 per cent of the Enlarged Share Capital. Trade Hero Holdings Limited has not entered into a relationship agreement with the Company. The interests of Trade Hero Holdings Limited may not be the same as the interests of minority shareholders or investors in the Company and it may make decisions which may have an adverse effect on investments in Ordinary Shares and or the business operations of the Company.

Further details of the Yang Relationship Agreement are set out at paragraphs 13.3 of part VII of this document.

## **RISKS RELATING TO TAXATION**

***Changes in tax law and practice may reduce any net returns for Investors***

The tax treatment of shareholders of the Company, any special purpose vehicle that the Company may establish and any company which the Company may acquire are all subject to changes in tax laws or practices in England and Wales or any other relevant jurisdiction. Any change may reduce any net return derived by Investors from a shareholding in the Company.

***There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner***

It is intended that the Company will structure the Company, including any company or business acquired in an Acquisition, to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Company has made certain assumptions regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

## CONSEQUENCES OF A STANDARD LISTING

Application will be made for the Ordinary Shares to be admitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings. Listing Principles 1 and 2 which are contained in Chapter 7 of the Listing Rules will apply to the Company with effect from Admission. As the Company will have a Standard Listing and not a Premium Listing, the Premium Listing Principles will not apply to it. The Company will, however, voluntarily comply with Premium Listing Principles 1, 5 and 6 from Admission.

However, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with the Placing and Admission;
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing;
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted therefore that an Acquisition will not require Shareholder consent, even if Ordinary Shares are being issued as consideration for such Acquisition;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a "related party transaction" as defined in Chapter 11 of the Listing Rules without the specific prior approval of a majority of the Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules. Following an Acquisition, the Directors intend to seek to transfer from a Standard Listing to either a Premium Listing or other appropriate stock market, based on the track record of the Company or business it acquires (although there can be no guarantee that the Company will fulfil the relevant eligibility criteria at the time and that a transfer to a Premium Listing or other appropriate stock market, will be achieved). Alternatively, it may determine to seek re-admission to a Standard Listing, subject to eligibility criteria. If a transfer to a Premium Listing is possible (and there can be no guarantee that it will be) and the Company decides to transfer to a Premium Listing, the various Listing Rules highlighted above as rules with which the Company is not required to comply will become mandatory and the Company will comply with the continuing obligations contained within the Listing Rules (and the Disclosure Guidance and Transparency Rules) in the same manner as any other company with a Premium Listing.

**It should be noted that the UK Listing Authority will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA should be able to impose sanctions for non-compliance where the statements regarding compliance in this document are themselves misleading, false or deceptive.**

## IMPORTANT INFORMATION

In deciding whether or not to invest in New Ordinary Shares, prospective Investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under FSMA, the Prospectus Rules, Listing Rules and Disclosure Guidance and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective Investors must not treat the contents of this Document or any subsequent communications from the Company or the Directors or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the Investor. In particular, Investors must read "Section D" of the Summary together with the risks set out in the section headed "Risk Factors" beginning on page 16 of this Document.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of the Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this document are required by the Company or the Directors to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of, this Document under the laws and regulations of any territory in connection with any applications for Ordinary Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company, the Directors that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required. Neither the Company nor the Directors accepts any responsibility for any violation of any of these restrictions by any other person.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, Australia, Canada, the Republic of South Africa, the Republic of Ireland or Japan or to any national, resident or citizen of Australia, Canada, the Republic of South Africa, the Republic of Ireland or Japan.

**The Ordinary Shares have not been approved or disapproved by the SEC, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.**

Investors may be required to bear the financial risk of an investment in the Ordinary Shares for an indefinite period. The Ordinary Shares are not transferable except in compliance with the restrictions described in Part IX of this Document.

### **Selling and transfer restrictions**

Prospective Investors should consider (to the extent relevant to them) the notices to residents of various countries set out in Part IX of this Document.

### **Investment considerations**

In making an investment decision, prospective Investors must rely on their own examination, analysis and enquiry of the Company, this Document and the terms of the Placing, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Prospective Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;

- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective Investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective will be achieved.

It should be remembered that the price of the Ordinary Shares, and any income from such Ordinary Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles which Investors should review.

### **Forward-looking statements**

This Document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board of Directors concerning, among other things: (i) the Company's objective, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to an Acquisition. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company's ability to identify suitable Acquisition opportunities or the Company's success in completing an Acquisition;
- the Company's ability to ascertain the merits or risks of the operations of a target company or business;
- the Company's ability to deploy the Net Proceeds on a timely basis;
- the availability and cost of equity or debt capital for future transactions;
- currency exchange rate fluctuations, as well as the success of the Company's hedging strategies in relation to such fluctuations (if such strategies are in fact used); and
- legislative and/or regulatory changes, including changes in taxation regimes.

Prospective Investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph [10] of Part VII of this Document.

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under the Listing Rules, MAR, the Disclosure Guidance and Transparency Rules and the Prospectus Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

**Currency presentation**

Unless otherwise indicated, all references to "British pound sterling", "sterling", "£" or "pounds" are to the lawful currency of the U.K.

**No incorporation of website**

The contents of any website of the Company or any other person do not form part of this Document.

**Definitions**

A list of defined terms used in this Document is set out in Part IX of this Document.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	19 July 2019
Results of Placing announced	by 7.00 a.m. on 26 July 2019
Admission and commencement of unconditional dealings in Ordinary Shares	8.00 a.m. on 26 July 2019
Crediting of Ordinary Shares to CREST Accounts	26 July 2019
Share certificates dispatched (to the extent required)	Week commencing 5 August 2019

All references to time in this Document are to London time unless otherwise stated.

## PLACING STATISTICS

Total number of New Ordinary Shares pursuant to the Placing	15,340,000
Total number of Ordinary Shares in issue following the Placing and Admission	20,340,002
Placing Price per New Ordinary Share	£0.05
Estimated Net Proceeds receivable by the Company	Approximately £497,000

## DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

ISIN	GB00BHNBDQ51
SEDOL	BHNBDQ5
TIDM	BSFA

## DIRECTORS, AGENTS AND ADVISERS

Directors	Min Yang ( <i>Non-Executive Chairman</i> ) Geoffrey Robert Baker ( <i>Non-Executive Director</i> )
Company Secretary	Geoffrey Baker c/o Locke Lord (UK) LLP 201 Bishopsgate London EC2M 3AB
Registered Office	c/o Locke Lord (UK) LLP 201 Bishopsgate London EC2M 3AB
Auditors and Reporting Accountants	Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
Registrar	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR
Financial Advisers	South China Financial (UK) Ltd 1/ F, 13 Regent Street St. James's, London SW1Y 4LR
Legal advisers to the Company as to English law	Locke Lord (UK) LLP 201 Bishopsgate London EC2M 3AB



## **PART I**

### **THE COMPANY, INVESTMENT AND STRATEGY**

#### **Introduction**

The Company was incorporated on 5 September 2018 in accordance with the laws of England and Wales as a public company limited by shares. Its share capital will, on Admission, consist of Ordinary Shares. It is intended that the Ordinary Shares will be admitted by the FCA to a Standard Listing on the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's main market for listed securities.

The Board consider that a listing on the main market may attract greater opportunities, both from the perspective of Investors who may not be willing or able to invest in a company whose shares are listed on a different securities exchange, and from the perspective of an Acquisition target company, which may only consider accepting share consideration as part of an Acquisition from a company admitted to the Official List.

#### **Company objective**

The Company has been created to consider opportunities within the innovation marketing and technology sector. The Company is seeking an Acquisition target that focuses on trade innovation, data-driven analytics and technology to maximise sales and assist companies enter new markets. The Company seeks an Acquisition target within the innovation marketing and technology sector that uses its trade innovation and data to assist its customer base with the development of brands, products and services, marketing campaigns or improvement of products and services. The Acquisition target would need to be experienced in matters such as planning digital campaigns to reach the right customers (whether in China or elsewhere), market research, creative agency work, and being able to understand how such customers browse, source information and purchase goods or services. In particular, the initial focus will be to concentrate on Acquisition opportunities on companies or businesses with innovative marketing solutions and which have a marketing strategy or product or technology that has potential to disrupt an existing market.

#### **Business strategy and execution**

The Company does not have any specific Acquisition under consideration and does not expect to engage in substantive negotiations with any target company or business until after Admission. To date, the Company's efforts have been limited to organisational activities as well as activities related to the Placing. However, the Board has extensive experience in sourcing and executing transactions.

The Company intends to acquire a controlling interest in a single target company or business. Although the Company (or its successor) may acquire the whole voting control of a target company or business, it may consider acquiring a controlling interest constituting less than the whole voting control or less than the entire equity interest of that target company or business if such opportunity is attractive or where the Company (or its successor) would acquire sufficient influence to implement its strategy.

The expected target value for an Acquisition will be relative to the size of the Placing and the market capitalisation of the Company given that the consideration is anticipated to be a combination of Ordinary Shares and cash. At this time in the Company's life cycle, it is not anticipated that the Company will be using any form of debt financing to finance an Acquisition. In the unlikely event that the Company requires debt financing to finance an Acquisition (for example, in circumstances where equity financing would be insufficient or unavailable to satisfy the cash proportion of the consideration), the Directors do not anticipate exceeding an amount equal to a multiple of x2 of the combined earnings before interest, taxes, depreciation and amortization of the Company and the relevant Acquisition target. Any funds not used for an Acquisition will be used for future acquisitions, internal or external growth and expansion, and working capital in relation to the acquired company or business. The Board may also consider an Acquisition target which is not yet, or which may not become, profitable following any such Acquisition.

Following completion of an Acquisition, the objective of the Company will be to operate the acquired business and implement an operating strategy to generate value for its Shareholders through operational improvements and potentially through additional complementary acquisitions following an Acquisition.

In assessing potential targets, the Board will consider whether and how they can generate shareholder value post-Acquisition through raising new capital through the enlarged listed entity, operational and software improvement, economies of scale and through "bolt on" acquisitions to the extent possible. In terms of geography, it is anticipated that the Company intends on focusing its acquisition strategy principally in the UK but will also consider target Acquisitions in Europe, the U.S. and China.

The Company will not exclude other geographic regions where the Company can operate competitively and have appropriate access to the relevant client base.

Unless required by applicable law or other regulatory process, no Shareholder approval will be sought by the Company in relation to an Acquisition. However, an Acquisition will be treated as a reverse takeover for the purposes of Chapter 5 of the Listing Rules and the Company will need to seek re-admission of the enlarged group to listing on the Official List and trading on the London Stock Exchange, or to the AIM Market operated by London Stock Exchange, or to another stock exchange. Subsequent Acquisitions may also be treated as reverse takeovers depending on their size and nature.

The Board will undertake in depth market analysis in a number of related areas initially within the innovative marketing and technology sector using the Directors' experience and knowledge. The Board may also engage with consultants with experience in the sector as and when deemed necessary to assist with identifying suitable Acquisition targets. Once a suitable Acquisition target has been identified and a structure and valuation negotiated and agreed, financial and legal due diligence will be undertaken using professional advisers. Consideration is likely to be a combination of Ordinary Shares and cash.

### **Capital and returns management**

Prior to the Placing, on 24 December 2018, the Company raised £50,000 pursuant to the Subscription of the Subscription Shares by the Subscribers.

The Company expects to raise gross proceeds of £767,000 from the Placing. No expenses of the Placing will be charged to the Investors. 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 going forward. Given that the anticipated operating costs of the Company will be minimal, the Company does not envisage that further funding will be required in the first 12 months or prior to an Acquisition. It is intended that the purchase price for any potential Acquisition will be satisfied by way of share and cash consideration which will leave cash available for working capital purposes. However, whether a further equity raising will be required and the amount of such raising will depend on the nature of the Acquisition opportunities which arise and the form of consideration the Company uses to make an Acquisition which cannot be determined at this time.

The Directors have been given authority to issue Ordinary Shares free of pre-emption rights for the purposes of or in connection with (i) the Subscription Shares, (ii) the Placing, (iii) generally for such purposes as the Directors may think fit, an aggregate amount not exceeding [10] per cent. of the aggregate nominal value of Ordinary Shares in issue (as at the close of the first Business Day following Admission), and (iv) for the purposes of issues of securities offered to existing holders of Ordinary Shares on a pro rata basis. Otherwise, Shareholders will have statutory pre-emption rights which will generally apply in respect of future issues of Ordinary Shares for cash. No pre-emption rights exist in respect of future share issues wholly or partly other than for cash. See paragraph 3.4 of Part VII of this Document for further details.

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 set out below in this Part I of this Document.

If an Acquisition has not been announced within 12 months of Admission, the Board will recommend to Shareholders either that the Company continue to pursue an Acquisition for a further 12 months, or that the Company be wound up (in order to return capital to Shareholders). The Board's recommendation will then be put to a Shareholder vote (from which the Directors will abstain). In the event that the Company is wound up, any capital available for distribution will be returned to Shareholders in accordance with the Articles.

### **Working capital and reasons for Admission**

The Company is of the opinion that, taking into account the Net Proceeds, the working capital available to the Company is sufficient for its present requirements, that is for at least 12 months from the date of this Document.

The Company is seeking Admission in order to take advantage of:

- a listed company's public profile thereby promoting the Company and its strategy;
- the possibility to create a broad investor base;
- the potential liquidity offered by a Standard Listing;
- access to institutional and other investors not only on Admission but in the secondary market; and
- the ability to issue listed equity as consideration for Acquisitions.

### **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. Prior to an Acquisition it is unlikely that the Company will have any earnings but to the extent the Company has any earnings it is the Company's current intention to retain any such 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..

### **CREST**

The Articles permit the Company to issue shares in uncertificated form in accordance with the CREST Regulations. The Directors have applied for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place in the CREST system if the relevant Shareholder wishes.

CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

### **Admission to trading, settlement and dealing arrangements**

Application has been made for the Ordinary Shares to be admitted to the Official List, by way of a Standard Listing, and to trading on the Main Market. Dealings in the Ordinary Shares are expected to commence at 8.00 a.m. on 26 July 2019. No application has or will be made for the Ordinary Shares to be admitted to trading or to be listed on any other stock exchange.

No temporary documents of title will be issued. All documents sent by or to an Investor will be sent by post at the Investor's own risk. Pending the dispatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company.

## PART II

### THE COMPANY, ITS BOARD AND THE ACQUISITION STRUCTURE

#### The Company

The Company was incorporated on 5 September 2018 in accordance with the laws of England and Wales as a public limited company. Its share capital will, on Admission, consist of Ordinary Shares. It is intended that the Ordinary Shares will be admitted by the FCA to a Standard Listing on the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's main market for listed securities.

#### The Directors

The Directors are listed below.

##### **Min Yang** (*date of birth 22 June 1967, aged 51*)

Ms. Yang has extensive business connections in the Asia Pacific region including greater China, and has over 20 years of hands-on experience dealing with both private and state-run businesses in China. Over the years, Min Yang has proven her unique business insight and expertise in the identification, incubation and realisation of embryonic opportunities in the resources, commodities, trading and residential estate and financial investment sectors.

Min Yang has commercialised numerous innovations in the telecommunications industry and building an Australasian telecommunications delivery company between China and Australia. Further she has helped develop, market and commercialise high-performance engine technologies now being developed in China as an auxiliary power unit for electric engines.

Ms Yang is currently the Executive Chairman of ASF Group Ltd (ASX: AFA) and Non-executive Chairman of ActivEX Limited (ASX: AIV), Rey Resources Limited (ASX: REY) and Non-executive director of Key Petroleum Limited (ASX: KEY).

##### **Geoff Baker** (*date of birth 12 July 1956, aged 62*)

Mr Baker is a qualified lawyer in Australia and Hong Kong with a Commerce degree (Accounting and Financial Management), a Law degree and Master of Business Administration (MBA).

Mr Baker has extensive corporate and commercial legal and property expertise developed over 36 years of practising law and representing companies in Australia, China, HK, Japan and recently UK and Europe. Mr Baker also co-authored a number of books including the critically acclaimed book "Think Like Chinese" first released in June 2008 (Federation Press, 2008). Mr Baker has commercialised a number of innovations including bio-medical apparatus for sleep-apnoea as well as high-performance engine technology now being developed in China as an auxiliary power unit for electric engines. He is also a director of Redstrike Group Ltd, a sports marketing company in the UK, which promotes and markets various sports events and activities and sports related technologies world-wide.

Mr Baker is currently also the Non-Executive director of ASF Group Ltd (ASX: AFA), Rey Resources Limited (ASX: REY), ActivEX Limited (ASX: AIV) and Key Petroleum Limited (ASX: KEY).

#### Independence of the Board

None of the Directors are considered to be "independent" (using the definition set out in the Corporate Governance Code). It is intended that additional directors, both executive and Non Executive, will be appointed at the time of the Acquisition and that independence will be one of the factors taken into account at that time.

#### Directors' fees

In order to preserve the Net Proceeds of the Placing for the purposes of applying such funds towards an Acquisition, each of the Non-Executive Directors have agreed to not be remunerated until such time as an Acquisition is completed. Further details of the Directors' letters of appointment are set out in paragraph 14.1 of Part VII. None of the Non-Executive Directors have received any remuneration or other benefits from the Company.

## **Strategic decisions**

### ***Members and responsibility***

The Directors, who are all Non Executive Directors, are responsible for carrying out the Company's objectives, implementing its business strategy and conducting its overall supervision. Acquisition, divestment and other strategic decisions will all be considered and determined by the Board.

The Board will provide leadership within a framework of prudent and effective controls. The Board will establish the corporate governance values of the Company and will have overall responsibility for setting the Company's strategic aims, defining the business plan and strategy and managing the financial and operational resources of the Company. Prior to an Acquisition, the Company will not have any full-time employees.

### **Acquisition structure**

An Acquisition may be made by the Company or a wholly-owned subsidiary of the Company, established as a special purpose vehicle to make the Acquisition. The details of the structure of an Acquisition will be determined once a target for the Acquisition has been identified.

### ***Corporate governance***

As a company with a Standard Listing the Company is not required to comply with the provisions of the UK Corporate Governance Code. Nevertheless, the Directors, who are all Non Executive directors are committed to maintaining high standards of corporate governance and propose, so far as is practicable given the Company's size and nature, to voluntarily adopt and comply with the QCA Code. However at present, due to the size of the Company, the Directors acknowledge that adherence to certain other provisions of the QCA Code may be delayed until such time as the Directors are able to fully adopt them post Acquisition. In particular, action will be required in the following areas:

- the Company does not currently have at least two independent non-executive directors. Accordingly, the Company does not comply with the QCA recommendations regarding board composition. The Board will seek to appoint independent directors, one of whom will be appointed as senior independent director;
- the Company is currently too small to have an audit committee, a remuneration committee or a nominations committee established and the appointments to such committees will be revisited upon the completion of an Acquisition along with incorporating terms of reference for them;
- the QCA Code recommends that companies publish key performance indicators which align with strategy and feedback through regular meetings with shareholders and directors. The Company will not comply with this provision until after such time as it has made an Acquisition.
- given the Company's size, it has not yet developed a corporate and social responsibility policy. One will be put in place at the appropriate time.

As a newly formed Company, the Company has not published an annual report and therefore there has been no opportunity to comply with those elements of the QCA Code which relate to disclosure in the annual report. The Board does, however, intend to comply with this element of the QCA Code when it publishes its annual report.

The Board as a whole will be responsible for sourcing an Acquisition and ensuring that opportunities are in conformity with the Company's strategy. The Board will meet periodically to: (i) discuss possible Acquisition opportunities for the Company; (ii) monitor the deal flow and any such Acquisition in progress; and (iii) review the Company's strategy and ensure that it is up-to-date and appropriate for the Company and its aims.

### **Share Dealings**

The Company has voluntarily adopted a dealing code and procedures manual ("**Dealing Code**") which complies with the Market Abuse Regulation (EU) No 596/2014 ("**MAR**") and will take all reasonable steps to ensure compliance by the Directors and any relevant individuals.

### **Future Listings**

Following an Acquisition, the Directors intend to seek to transfer from a Standard Listing to either a Premium Listing or seek re-admission of the enlarged group to listing on the Official List and trading on the London Stock Exchange, or to the AIM Market operated by London Stock Exchange, or to another appropriate stock market, based on the track record of the Company

or business it acquires (although there can be no guarantee that the Company will fulfil the relevant eligibility criteria at the time and that a transfer to a Premium Listing or other appropriate stock market, will be achieved). However, in addition to or in lieu of a Premium Listing, the Company may determine to seek a listing on another stock exchange. Following such a Premium Listing, the Company would comply with the continuing obligations contained within the Listing Rules and the Disclosure Guidance and Transparency Rules in the same manner as any other company with a Premium Listing.

### **Conflict Management by the Board**

Whilst there are no conflicts of interest between any duties owed to the Company by the Directors and their private interests or other duties, each Director holds multiple directorships and may have time constraints on occasion in allocating time among various business activities. Ms Yang and Mr Baker are, however, committed to dedicating sufficient time to the Company as necessary to meet its objectives and each will manage their time such that they are fully able to fulfil their duties as Directors to the Company and their board duties in respect of their other business interests.

The Articles provide for how the Board are to manage and deal with conflicts of interest. The Directors may approve or otherwise deal with a conflict of a director subject to certain parameters. For example:

- i. any requirement as to quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director; and
- ii. the matter has been agreed to without the Director in question and any other interested Director voting or would have been agreed to if their votes had not been counted.

The Board may authorise a matter on such terms and for such duration, or impose such limits or conditions on it, as it may decide and vary the terms or duration of such an authorisation (including any limits or conditions imposed on it) or revoke it. A Director is required to comply with any obligations imposed on him by the Directors pursuant to any such authorisation.

Further, each of the Directors have agreed that, in the unlikely event that such person or entity becomes involved following this date of this Document and prior to the completion of an Acquisition with entities with similar acquisition criteria to the Company's, any potential opportunities that fit such criteria would first be presented to the Company.

### **Yang Relationship Agreement**

The Company and Ms Yang have entered into the Yang Relationship Agreement to regulate the ongoing relationship between the Company and Ms Yang and to ensure appropriate governance and independence of the management team of the Company. The Directors believe that the Yang Relationship Agreement will enable the Company to carry on its business in a manner which is independent of the interests of Ms Yang and to ensure that all arrangements between the Company and Ms Yang are on normal commercial terms and on an arms' length basis.

### **Material Contracts**

The Company has entered into a number of other contracts since incorporation, including but not limited to the Registrar Agreement, which are summarised in paragraph 14 of Part VII of this Document.

### **City Code on Takeovers and Mergers**

The Company is subject to the City Code. Brief details of the Panel, the City Code and the protections they afford are described below.

The City Code is issued and administered by the Panel. The City Code applies to all takeover and merger transactions, however effected, where the offeree company is, inter alia, a listed public company registered in the United Kingdom. The Company is a listed public company registered in the United Kingdom and its Shareholders are therefore entitled to the protections afforded by the City Code.

Under Rule 9 of the City Code, where any person acquires, whether by a series of transactions over a period of time or not, an interest in shares (as defined in the City Code) which (taken together with shares already held by him and any interest in shares held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of such a company, that person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company to acquire the balance of their interests in the company.

Rule 9 of the City Code also provides that, among other things, where any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of such a company, and such person, or any person

acting in concert with him, acquires an additional interest in shares which increases the percentage of shares carrying voting rights in which he is interested, then such person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

An offer under Rule 9 of the City Code must be in cash (or with a cash alternative) and at not less than the highest price paid within the preceding 12 months for any shares in the company by the person required to make the offer or any person acting in concert with him.

For the purposes of the City Code, persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), cooperate to obtain or consolidate control of a company. As explained further below, certain categories of person are presumed to be acting in concert under the City Code unless the contrary is established.

Under presumption (9) of the definition of acting in concert contained in the City Code, shareholders in a private company who, following the re-registration of that company as a public company in connection with an initial public offering or otherwise, become shareholders in a company to which the Code applies are deemed to be acting in concert with one another.

Having consulted with the Panel, it has been determined that all of the founder shareholders, Directors, one of the Subscribers and certain Placees (due to the proximity of such Subscriber's and Placees' relationships to Min Yang) comprise a concert party in relation to the Company (the "**Concert Party**").

### **The Concert Party members**

The members of the Concert Party, their respective expected holdings following Admission and details of the reason for their membership of the Concert Party are set out below.

<i>Member of the Concert Party</i>	<i>Reason for inclusion</i>	<i>Interest in Ordinary Shares on Admission</i>	<i>Interest in Ordinary Shares on Admission (%)</i>
Geoff Baker	Founder shareholder, director	1	0.00
Min Yang	Founder shareholder, director	1	0.00
Daniel Yuan Fang	Subscriber and family member of Min Yang	800,000	3.93
Advance Plan Investments Ltd	Owned and controlled by Min Yang	5,000,000	24.58
Trade Hero Holdings Limited	Owned by Kwok Hung So, a business associate of Min Yang	6,000,000	29.50
Business Victor Investments Limited	Owned by Yuanquing He, a business associate of Min Yang	2,400,000	11.80
Forever Grand Group Limited	Owned by Joyce Mei Chi Lee, a business associate of Min Yang	1,000,000	4.92
<u>Total</u>		<u>15,200,002</u>	<u>74.73</u>

As at the date of this Prospectus, and save as disclosed in the table above, none of the members of the Concert Party nor any members of their immediate families, any related trust, nor any connected persons (within the meaning of section 252 of the Companies Act), nor any person acting in concert with such persons, nor any member of their immediate families or related trusts (so far as the Directors are aware having made due enquiry) have any interests, rights to subscribe and short positions of the members of the Concert Party in the relevant shares or securities of the Company.

Immediately following Admission, the interests of the members of the Concert Party in the relevant shares or securities of the Company will be as set out in the in the table above. Accordingly, upon Admission, the maximum controlling position of the Concert Party will be 15,200,002 Ordinary Shares, representing approximately 74.73 per cent. of the issued ordinary share capital of the Company.

The Panel has agreed on an *ex-parte* basis that presumption 9 of the definition of acting in concert contained in the City Code may be rebutted in respect of the following shareholders:

<i>Shareholder Name</i>	<i>Placee / Subscriber</i>	<i>Interest in Ordinary Shares on Admission</i>	<i>Interest in Ordinary Shares on Admission (%)</i>
Walter Yiu-Kwong Hui	Subscriber	900,000	4.42
Fai-Yue Lam	Subscriber	900,000	4.42
Yue-Ming Pan	Subscriber	800,000	3.93
Shi-Ming Chen	Subscriber	800,000	3.93
Qi Sai	Subscriber	800,000	3.93
Shi Ping Chen	Placee	800,000	3.93
Paul Cain	Placee	100,000	0.49
Tim Richmond	Placee	40,000	0.20
<u>Total</u>		<u>5,140,000</u>	<u>25.27</u>

#### **Consequences of the Concert Party**

As a consequence, prospective investors should be aware that, subject to Note 4 of Rule 9.1 of the City Code, members of the Concert Party will be free to acquire further interests in Ordinary Shares without consequence under Rule 9 of the City Code.



## **PART III**

### **THE PLACING**

#### **Description of the Placing**

Under the Placing, 15,340,000 New Ordinary Shares are being made available to Investors at the Placing Price of 5p per New Ordinary Share, which will raise gross proceeds of £767,000.

The Company has received irrevocable undertakings from prospective Investors to subscribe for 15,340,000 New Ordinary Shares in aggregate at the Placing Price and such New Ordinary Shares have been allocated accordingly. If Admission does not occur the Placing will not complete and funds will be returned to prospective Investors. As the Placing is conditional on Admission, in such circumstances, the Ordinary Shares shall neither be admitted to the Official List (by way of a standard listing) nor to the London Stock Exchange. In the event that the Placing does not proceed Admission will not occur either.

Applications under the Placing were required to be received no later than 5p.m. on 23 April 2019 (or such later time and/or date as the Company may agree).

The Placing is conditional on Admission having become effective on or before 8.00 a.m. on 26 July 2019 (or such later date as the Company may determine).

The Company intends to apply the Net Proceeds as described in the section entitled "Share capital, liquidity and capital resources and accounting policies" in Part IV of this Document, in pursuit of the objectives set out in "Company Objective" and "Business Strategy and Execution" in Part I of this Document.

The Ordinary Shares have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States.

The Placing is being made by means of an offering of the New Ordinary Shares to certain institutional and other investors in the United Kingdom.

Certain restrictions that apply to the distribution of this Document and the New Ordinary Shares being issued under the Placing in certain jurisdictions are described in the section headed Part VIII of this Document. Certain selling and transfer restrictions are also contained in Part VIII of this Document.

Admission is expected to take place and unconditional dealings in the Ordinary Shares are expected to commence on the London Stock Exchange on 26 July 2019. All dealings in Ordinary Shares prior to the commencement of unconditional dealings will be on a "when issued basis", will be of no effect if Admission does not take place, and will be at the sole risk of the parties concerned. No application has been or is currently intended to be made for the Ordinary Shares to be admitted to listing or dealt with on any other stock exchange. When admitted to trading, the Ordinary Shares will be registered with ISIN number GB 00BHNBDQ51 and SEDOL number BHNBDQ5.

#### **Terms and Conditions of the Placing**

##### ***Introduction***

Each Investor who applies to subscribe for the New Ordinary Shares under the Placing will be bound by these terms and conditions:

##### ***Agreement to acquire the New Ordinary Shares***

Conditional on: (i) Admission occurring and becoming effective by 8.00 a.m. on or prior to 26 July 2019 (or such later time and/or date as the Company may agree and (ii) the Investor being allocated New Ordinary Shares, an Investor who has applied for New Ordinary Shares agrees to acquire those New Ordinary Shares (such number of New Ordinary Shares not to exceed the number applied for by such Investor) at the Placing Price. To the fullest extent permitted by law, each Investor acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights an Investor may have. Each such Investor is deemed to acknowledge receipt and understanding of this Document and in particular the risk and investment warnings contained in this Document.

### ***Payment for the New Ordinary Shares***

Each Investor must pay the Placing Price for the New Ordinary Shares issued to the Investor in the manner directed by the Company.

If any Investor fails to pay as so directed by the Company, the relevant Investor's application for New Ordinary Shares may be rejected.

If Admission does not occur, subscription monies will be returned without interest at the risk of the applicant.

### ***Representations, warranties and acknowledgements***

Each Investor and, in the case of paragraph (f) below, any person subscribing for or applying to subscribe for New Ordinary Shares, or agreeing to subscribe for New Ordinary Shares on behalf of an Investor, will be deemed to represent and warrant to the Registrar and the Company that:

- (a) the content of this Document is exclusively the responsibility of the Company and the Directors; neither the Registrar nor any person acting on their behalf nor any of their respective affiliates is responsible for or shall have any liability for any information, representation or statement contained in this Document or any information published by or on behalf of the Company, and none of the Registrar nor any person acting on its behalf nor any of their respective affiliates will be liable for any decision by an Investor to participate in the Placing based on any information, representation or statement contained in this Document or otherwise;
- (b) it has not relied on any information given or representations, warranties or statements made by the Company, the Directors, the Registrar or any other person in connection with the Placing other than information contained in this Document and/or any supplementary prospectus or regulatory announcement issued by or on behalf of the Company on or after the date hereof and prior to Admission. The Investor irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- (c) it is: (i) a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive, (ii) a person who has professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the "Order") (investment professionals), (iii) a person who falls within article 49 of the Order (high net worth companies and unincorporated associations etc.), or (iv) an "eligible counterparty" within the meaning of Article 24(2),(3) and (4) of Directive 2004/39/EC ("MiFID") as MiFID is implemented into national law of the relevant EEA state and, in all cases, on the basis that it is lawful to do so;
- (d) it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI 2017/692), or applicable legislation in any other jurisdiction (the "Regulations") and, if it is making payment on behalf of a third party, it has obtained and recorded satisfactory evidence to verify the identity of the third party as required by the Regulations;
- (e) it is entitled to subscribe for the New Ordinary Shares under the laws of all relevant jurisdictions which apply to it; it has fully observed such laws and obtained all governmental and other consents which may be required under such laws and complied with all necessary formalities; it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction; and it has not taken any action or omitted to take any action which will or may result in any of the Company, the Directors, the Registrar or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal and regulatory requirements of any jurisdiction in connection with the Placing or, if applicable, its acceptance of or participation in the Placing; and
- (f) in the case of a person who agrees on behalf of an Investor, to subscribe for New Ordinary Shares under the Placing that person represents and warrants that he has authority to do so on behalf of the Investor.

The Company will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings.

### ***Acknowledgement***

Each Investor and, in the case of paragraph (f) above, any person subscribing for or applying to subscribe for New Ordinary Shares, or agreeing to subscribe for New Ordinary Shares on behalf of an Investor will be deemed to acknowledge to the

Company that the Investor has been warned that an investment in the Ordinary Shares is only suitable for acquisition by a person who:

- (a) has a significantly substantial asset base such that would enable the person to sustain any loss that might be incurred as a result of acquiring the Ordinary Shares; and
- (b) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the Ordinary Shares.

### ***Supply and disclosure of information***

If any of the Registrar or the Company or any of their agents request any information about an Investor's agreement to purchase New Ordinary Shares under the Placing, such Investor must promptly disclose it to them.

### ***Miscellaneous***

The rights and remedies of each of the Registrar and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

On application, if an Investor is a discretionary fund manager, that Investor may be asked to disclose in writing or orally the jurisdictions in which its funds are managed or owned.

All documents will be sent at the Investor's risk. They may be sent by post to such Investor at an address notified to the Company.

Each Investor agrees to be bound by the Articles (as amended from time to time) once the New Ordinary Shares, which the Investor has agreed to acquire pursuant to the Placing, have been issued to the Investor.

The contract to purchase New Ordinary Shares under the Placing, the appointments and authorities mentioned herein and the representations, warranties and undertakings set out herein will be governed by, and construed in accordance with, English law. For the exclusive benefit of the Company and the Registrar, each Investor irrevocably submits to the exclusive jurisdiction of the English courts in respect of these matters. This does not prevent an action being taken against an Investor in any other jurisdiction.

In the case of a joint agreement to purchase New Ordinary Shares under the Placing, references to an "Investor" in these terms and conditions are to each of the Investors who are a party to that joint agreement and their liability is joint and several.

The Company expressly reserves the right to modify the Placing (including, without limitation, its timetable and settlement) at any time before closing.

### ***Allocation***

Allocations under the Placing will be determined by the Company after indications of interest from prospective Investors have been received. Multiple applications for New Ordinary Shares under the Placing will be accepted. A number of factors will be considered in deciding the basis of allocation under the Placing, including the level and nature of the demand for the New Ordinary Shares and the objective of establishing an Investor profile consistent with the long-term objective of the Company. The Company will notify Investors of their allocations.

All New Ordinary Shares issued pursuant to the Placing will be issued, payable in full, at the Placing Price.

The Ordinary Shares issued pursuant to the Placing will be issued in registered form. It is expected that the Ordinary Shares will be issued pursuant to the Placing on 26 July 2019.

### ***Dealing arrangements***

Application has been made to the UK Listing Authority for all the Ordinary Shares to be listed on the Official List and application has been made to the London Stock Exchange for the Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

The expected date for settlement of such dealings will be 26 July 2019. All dealings between the commencement of conditional dealings and the commencement of unconditional dealings will be on a "when issued basis". If the Placing does not become unconditional in all respects, any such dealings will be of no effect and any such dealings will be at the risk of the parties concerned.

It is expected that Admission will take place and unconditional dealings in the Ordinary Shares will commence on the London Stock Exchange at 8.00 a.m. on 26 July 2019. This date and time may change.

It is intended that settlement of Ordinary Shares allocated to Investors who wish to hold shares in uncertificated form will take place through CREST on Admission. It is intended that, where applicable, definitive share certificates in respect of the Placing will be distributed from 5 August 2019 or as soon as practicable thereafter. Temporary documents of title will not be issued. Dealings in advance of crediting of the relevant CREST stock account shall be at the risk of the person concerned.

## **CREST**

CREST is the system for paperless settlement of trades in listed securities operated by Euroclear. CREST allows securities to be transferred from one person's CREST account to another's without the need to use share certificates or written instruments of transfer.

The Articles permit the holding of Ordinary Shares in uncertificated form under the CREST system.

Application has been made for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST System if any Shareholder so wishes. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so. An Investor applying for Ordinary Shares in the Placing may elect to receive Ordinary Shares in uncertificated form in the form if the Investor is a system member (as defined in the CREST Regulations) in relation to CREST.

## **PART IV**

### **SHARE CAPITAL, LIQUIDITY AND CAPITAL RESOURCES AND ACCOUNTING POLICIES**

#### **Share capital**

The Company was incorporated on 5 September 2018 under the Companies Act.

Details of the current issued share capital of the Company are set out in paragraph 3 of Part VII of this Document. As at Admission, £50,000.02 of Ordinary Shares in nominal value will be in issue (divided into 5,000,002 issued Ordinary Shares of 1p each).

All of the issued Ordinary Shares will be in registered form, and capable of being held in certificated or uncertificated form. The Registrar will be responsible for maintaining the share register. Temporary documents of title will not be issued. The ISIN number of the Ordinary Shares is GB00BHNBDQ51. The SEDOL number of the Ordinary Shares is BHNBDQ5.

#### **Financial position**

The Company has not yet commenced operations. The Company Financial Information upon which Crowe U.K. LLP has provided the accountant's report as at 31 May 2019 is set out in Part V(A) of this Document.

If the Placing and Admission had taken place on 31 May 2019 (being the date as at which the Company Financial Information contained in Part V(B) of this Document is presented):

- the net assets of the Company would have been decreased by approximately £214,000 (being the balance of costs payable in respect of the Placing and Admission); and
- the Company's earnings would have decreased by £52,700 as a result of the proportion of fees and expenses incurred in connection with the Placing and Admission being expensed to the statement of comprehensive income in accordance with IFRS.

#### **Liquidity and capital resources**

##### ***Sources of cash and liquidity***

The Company's initial source of cash will be the Net Proceeds of the Placing, which are, in aggregate, expected to be £497,000. It will use such cash to fund on-going costs and expenses (primarily LSE listing fee of approximately [£1,500], Registrar's base fees of £1.25 per holding per year and LSE fees of approximately £5,400 per year) and the costs and expenses to be incurred in connection with seeking to identify and effect an Acquisition. The costs and expenses of any Acquisition will likely comprise legal, financial and tax due diligence in relation to the target company, however, the Company would only reach this stage after the Directors have carried out an initial commercial review of the target and the Company has entered into a non-disclosure agreement and/or heads of terms. The Company intends to use a combination of cash and shares as consideration in relation to an Acquisition. The Company may raise additional capital from time to time to finance an Acquisition, to the extent necessary. Such capital may be raised through share issues (such as rights issues, open offers or private placings) or borrowings.

The Company may also make an Acquisition or fund part of an Acquisition through share-for-share exchanges. Any such exchanges will be subject to the restrictions on the issue of shares set out in paragraph 3.4 of Part VII of this Document.

Whilst the Company envisages that any capital raised will be from new equity, the Company may require to finance all or a portion of an Acquisition with debt financing. Any debt financing used by the Company is expected to take the form of bank financing, although no financing arrangements will be in place at Admission. The Company envisages that debt financing may be necessary if, for example, a target company has been identified but would require a certain amount of cash consideration in addition to, or instead of, share consideration.

Any associated debt financing (if any) for an Acquisition will be assessed with reference to the projected cash flow of the target company or business and may be incurred at the Company level or by any subsidiary of the Company. Any costs associated with the debt financing will be paid with the proceeds of such financing.

If debt financing is utilised, there will be additional servicing costs. Furthermore, while the terms of any such financing cannot be predicted, such terms may subject the Company to financial and operating covenants or other restrictions, including restrictions that might limit the Company's ability to make distributions to Shareholders.

The Directors anticipate, however, that in the unlikely event debt financing is required to finance an Acquisition (for example, in circumstances where equity financing would be insufficient or unavailable to satisfy the cash proportion of the consideration), such financing will not exceed an amount equal to a multiple of x2 of the combined earnings before interest, taxes, depreciation and amortization of the Company and the relevant Acquisition target.

Substantially all of the cash raised is expected to be used for working capital and for the purposes of financing an Acquisition. Following an Acquisition (which will be funded through share consideration and/or cash) the Company's future liquidity will depend in the medium to longer term primarily on: (i) the profitability of the target company or business it acquires; (ii) the Company's management of available cash; (iii) cash distributions on sale of existing assets; (iv) the use of borrowings, if any, to fund short-term liquidity needs; and (v) dividends or distributions from subsidiary companies.

#### ***Cash uses/Use of Proceeds***

The Company's principal use of cash (including the Net Proceeds) will be as working capital and for the purposes of funding an Acquisition.

The estimated amount of the Net Proceeds is anticipated to be approximately £497,000. The intended use of the Net Proceeds will be as follows: (i) Identifying appropriate Acquisition targets and carrying out commercial and financial due diligence (approximately £17,000) (ii) Carrying out legal due diligence and preparation of transactional documentation in respect of Acquisition and completing Acquisition (approximately £400,000); and (iii) General corporate and working capital purposes (approximately £80,000).

The Company's current intention is to retain earnings (if any) for use in its business operations and it does not anticipate declaring any dividends in the foreseeable future. Following an Acquisition and in accordance with the Company's business strategy and applicable laws, it expects to make distributions to Shareholders in accordance with the Company's dividend policy. The Company intends to use share consideration in relation to an Acquisition. However, the Company will incur day-to-day expenses that will need to be funded. Initially, the Company expects these expenses will be funded through the Net Proceeds (and income earned on such funds). Such expenses include:

- all costs relating to the Placing, including fees and expenses incurred in connection with the Placing such as those incurred in the establishment of the Company, Placing and Admission fees, legal, accounting, registration, printing, advertising and distribution costs and any other applicable expenses; and
- transaction costs and expenses—the Company will bear all due diligence costs and legal and accounting costs.

The Board intends to be prudent so as to preserve Company funds as far as possible.

#### **Deposit of Net Proceeds Pending Acquisition**

Prior to the completion of an Acquisition, the Net Proceeds will be held in the bank account of the Company held with Bank of China (UK) Limited. The Net Proceeds will not be placed in any trust or escrow account. The Company will principally seek to preserve capital and therefore the yield on such deposits or instruments is likely to be low.

#### **Indebtedness**

As at the date of this Document, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness.

#### **Interest rate risks**

The Company may incur indebtedness to finance and leverage an Acquisition and to fund its liquidity needs. Such indebtedness may expose the Company to risks associated with movements in prevailing interest rates. Changes in the level of interest rates can affect, among other things: (i) the cost and availability of debt financing and hence the Company's ability to achieve attractive rates of return on its assets; (ii) the Company's ability to make an Acquisition when competing with other potential buyers who may be able to bid for an asset at a higher price due to a lower overall cost of capital; (iii) the debt financing capability of the companies and businesses in which the Company is invested; and (iv) the rate of return on the Company's uninvested cash balances. This exposure may be reduced by introducing a combination of a fixed and floating interest rates or through the use of hedging transactions (such as derivative transactions, including swaps or caps). Interest rate hedging transactions will only be undertaken for the purpose of efficient portfolio management, and will not be carried out for speculative purposes. See "Hedging arrangements and risk management" below.

#### **Hedging arrangements and risk management**

The Company may use forward contracts, options, swaps, caps, collars and floors or other strategies or forms of derivative instruments to limit its exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates and currency exchange rates, as previously described. It is expected that the extent of risk management activities by the Company will vary based on the level of exposure and consideration of risk across the business.

The success of any hedging or other derivative transaction generally will depend on the Company's ability to correctly predict market changes. As a result, while the Company may enter into such a transaction to reduce exposure to market risks, unanticipated market changes may result in poorer overall investment performance than if the transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, the Company may not seek, or be successful in establishing, an exact correlation between the instruments used in a hedging or other derivative transactions and the position being hedged and could create new risks of loss. In addition, it may not be possible to fully or perfectly limit the Company's exposure against all changes in the values of its assets, because the values of its assets are likely to fluctuate as a result of a number of factors, some of which will be beyond the Company's control.

#### **Accounting policies and financial reporting**

The Company's financial year end will be 30 September, and the first set of audited annual financial statements will be for the period from incorporation to 30 September 2019. The Company will produce and publish half-yearly financial statements as required by the Disclosure Guidance and Transparency Rules. The Company will present its financial statements in accordance with IFRS as adopted by the European Union.

## PART V

### FINANCIAL INFORMATION ON THE COMPANY

#### PART V(A)

#### ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION ON THE COMPANY



The Directors  
BSF Enterprise Plc  
1st floor  
3 More  
London Riverside  
London SE1 2RE

19 July 2019

Dear Sirs,

We report on the audited historical financial information of BSF Enterprise Plc (the "Company") for the period from incorporation on 5 September 2018 to 31 May 2019 (the "Company Financial Information") set out in Part V(B) "*Historical Financial Information on the Company*" of Part V "*Financial Information on the Company*" of the Company's prospectus dated 19 July 2019 (the "Prospectus"). The Company Financial Information has been prepared for inclusion in the Prospectus on the basis of the accounting policies set out in note 2 to the Company Financial Information. This report is required by Annex 1 item 20.1 of Commission Regulation (EC) No. 809/2004 (the "Prospectus Directive Regulation") and is given for the purpose of complying with that requirement and for no other purpose.

#### Responsibilities

The directors of the Company (the "Directors") are responsible for preparing the Company Financial Information in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

It is our responsibility to form an opinion on the Company Financial Information and to report our opinion to you.

#### Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the Company Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Company Financial Information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.



## **Opinion**

In our opinion, the Company Financial Information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Company as at 31 May 2019 and of its results, cash flows and changes in equity for the period then ended, in accordance with IFRS.

## **Declaration**

For the purposes of Prospectus Rule 5.5.3R(2)(f), we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex I item 1.2 of the Prospectus Directive Regulation.

Yours faithfully,

**Crowe U.K. LLP**  
*Chartered Accountants*

PART V(B)

HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

STATEMENT OF FINANCIAL POSITION

The audited statement of financial position of the Company as at 31 May 2019 is stated below:

	Note	As at 31 May 2019 £
<b>Assets</b>		
Cash and cash equivalents		773,330
<b>Total assets</b>		<b>773,330</b>
<b>Equity and liabilities</b>		
<i>Capital and reserves</i>		
Ordinary Share capital	3	50,000
Ordinary Shares to be issued	3	767,000
Retained deficit		(55,670)
<b>Total equity attributable to Shareholders</b>		<b>761,330</b>
<i>Current liabilities</i>		
Other payables	4	12,000
<b>Total liabilities</b>		<b>12,000</b>
<b>Total equity and liabilities</b>		<b>773,330</b>

## STATEMENT OF COMPREHENSIVE INCOME

The audited statement of comprehensive income of the Company for the period from incorporation on 5 September 2018 to 31 May 2019 is stated below:

	Note	Period ended 31 May 2019 £
Administrative expenses	5	<u>(55,670)</u>
<b>Loss before tax</b>		<b>(55,670)</b>
Tax		<u>-</u>
<b>Loss after tax and total comprehensive income</b>		<b>(55,670)</b>
<hr/>		
<b>Loss per Ordinary Share</b>		
Basic and diluted loss per Ordinary Share (pence)	6	<u>(1.9)p</u>

## STATEMENT OF CHANGES IN EQUITY

The audited statement of changes in equity of the Company for period from incorporation on 5 September 2018 to 31 May 2019 is set out below:

	Share capital £	Shares to be issued £	Retained deficit £	Total £
<b>Comprehensive loss for the period</b>				
Loss for the period	-	-	(55,670)	<b>(55,670)</b>
Total comprehensive loss for the period	-	-	(55,670)	<b>(55,670)</b>
<b>Transactions with owners</b>				
Ordinary Shares issued on incorporation	-	-	-	-
Issue of new Ordinary Shares	50,000	-	-	<b>50,000</b>
Total transactions with owners	50,000	-	-	<b>50,000</b>
<b>Other</b>				
Ordinary Shares to be issued	-	767,000	-	<b>767,000</b>
<b>As at 31 May 2019</b>	<b>50,000</b>	<b>767,000</b>	<b>(55,670)</b>	<b>761,330</b>

## STATEMENT OF CASH FLOWS

The audited statement of cash flows of the Company for the period from incorporation on 5 September 2018 to 31 May 2019 is as follows:

	<b>Period ended 31 May 2019 £</b>
<b>Operating activities</b>	
Loss for the period	(55,670)
<i>Changes in working capital</i>	
Increase in payables relating to operating activities	12,000
	<hr/>
<b>Net cash from operating activities</b>	<b>(43,670)</b>
<b>Financing activities</b>	
Proceeds from issue of Ordinary Shares	50,000
Amounts received from Ordinary Shares to be issued	767,000
	<hr/>
<b>Net cash from financing activities</b>	<b>817,000</b>
	<hr/>
<b>Net increase in cash and cash equivalents</b>	<b>773,330</b>
	<hr/> <hr/>
Cash and cash equivalents at beginning of period	-
	<hr/>
<b>Cash and cash equivalents at end of period</b>	<b>773,330</b>
	<hr/> <hr/>

## NOTES TO THE COMPANY FINANCIAL INFORMATION

### 1. General information

The Company is a public limited liability company incorporated and registered in England and Wales on 5 September 2018 with registered company number 11554014. Its registered office is situated at 201 Bishopsgate, London EC2M 3AB.

The Company did not trade during the period under review.

### 2. Accounting policies

#### ***Basis of preparation***

The principal accounting policies applied in the preparation of the Company Financial Information are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

The Company Financial Information has been prepared in accordance with IFRS. The Company Financial Information has been prepared using the historical cost basis for each type of asset, liability, income and expense. No fair value adjustments have been applied in the preparation of the Company Financial Information.

The Company Financial Information is presented in £ unless otherwise stated.

New standards that came into effect during the period under review but have no impact at present are presented below:

- IFRS 9 “*Financial Instruments*”, and;
- IFRS 15 “*Revenue from Contract with Customers*”.

#### ***Standards and interpretations in issue but not yet effective***

In the preparation of the Company Financial Information, the Directors have reviewed the standards in issue, but not yet effective, as issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee and endorsed by the EU and which are effective for annual accounting periods beginning on or after the stated effective date. IFRS 16 “*Leases*” is the only such standard. In the view of the Directors, this standard would not have a material impact on the financial reporting of the Company.

#### ***Comparative figures***

No comparative figures have been presented as the Company Financial Information covers the period from incorporation on 5 September 2018.

#### ***Cash and cash equivalents***

The Directors consider any cash on short-term deposits and other short-term investments to be cash equivalents.

#### ***Use of assumptions and estimates***

In preparing the Company Financial Information, the Directors have to make judgments on how to apply the Company's accounting policies and make estimates about the future. The Directors do not consider there to be any critical judgments that have been made in arriving at the amounts recognised in the Company Financial Information.

### 3. Share capital

#### *Authorised share capital*

The Company's authorised share capital is unlimited.

#### *Issued share capital*

	As at 31 May 2019 £
On incorporation	-
Issue of Ordinary Shares	50,000
<b>As at 31 May 2019</b>	<b>50,000</b>

The Company was incorporated on 5 September 2018. On incorporation, two Ordinary Shares of £0.01 par value were issued at par. Between 24 December 2018 and 29 December 2018, a further 5,000,000 Ordinary Shares of £0.01 par value were issued at par for cash consideration of £50,000.

#### *Ordinary Shares to be issued*

During April 2019 and May 2019, the Placing Proceeds of £767,000 was received in cash by the Company, comprising the 15,340,000 New Ordinary Shares to be issued at the Placing Price, being £0.05, pursuant to the Placing.

Following the issue of the New Ordinary Shares pursuant to the Placing, the Ordinary Share Capital of the Company will be £203,400 and the share premium £613,600, comprising 20,340,002 Ordinary Shares.

### 4. Other payables

	As at 31 May 2019 £
Accounting fees	12,000
	<b>12,000</b>

### 5. Administrative expenses

During the period from incorporation on 5 September 2018 to 31 May 2019, the Company incurred £31,612 of legal fees, £18,000 of accounting fees, £6,000 of professional fees and £58 in bank charges.

### 6. Loss per Ordinary Share

Basic loss per Ordinary Share amounts are calculated by dividing the loss for the period attributable to Shareholders by the weighted average number of Ordinary Shares outstanding during the period.

Diluted loss per Ordinary Share amounts are calculated by dividing the loss for the period attributable to Shareholders by the weighted average number of Ordinary Shares outstanding during the period plus the weighted average number of New Ordinary Shares pursuant to the Placing, for which the cash consideration has been received by the Company

as at 31 May 2019. On the basis that the effect of the dilutive New Ordinary Shares will be to decrease the loss per Ordinary Share, the basic and diluted loss per Ordinary Share are the same.

The calculation of the basic and diluted loss per Ordinary Share is based on the following data:

**Earnings**

Loss from continuing operations for the period attributable to shareholders	£(55,670)
---	-----------

**Number of Ordinary Shares**

Weighted average number of Ordinary Shares (#)	2,910,411
--	-----------

<b>Basic and diluted loss per Ordinary Share</b>	<b>(1.9)p</b>
--	---------------

**7. Financial instruments**

*Categories of financial instruments*

	<b>As at 31 May 2019 £</b>
<b>Financial assets</b>	
Cash and cash equivalents	773,330
<b>Financial liabilities</b>	
Other payables	12,000

*Financial risk management objectives and policies*

The Company's major financial instruments include bank balances and amounts payable to suppliers. The risks associated with these financial instruments, and the policies on how to mitigate these risks are set out below. The Directors manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

*Credit risk*

The Company's credit risk is wholly attributable to its cash balance. The credit risk from its cash and cash equivalents is limited because the counter parties are banks with high credit ratings and have not experienced any losses in such accounts.

*Interest rate risk*

The Company's exposure to interest rate risk is the interest received on the cash held, which is immaterial.

*Currency risk*

All monetary assets and liabilities and all transactions of the Company are denominated in its functional currency, being £. As such, the Company is not exposed to significant foreign currency risk.

*Fair value of financial assets and liabilities*



There are no material differences between the fair value of the Company's financial assets and liabilities and their carrying values in the financial information.

**8. Ultimate controlling party**

As at 31 May 2019, there was no ultimate controlling party of the Company.

**9. Nature of the Company Financial Information**

The Company Financial Information presented above does not constitute statutory accounts for the period under review.

**PART V (C)**  
**CAPITALISATION AND INDEBTEDNESS OF THE COMPANY**

The following table shows the Company's capitalisation and indebtedness as at 31 May 2019:

<b>Total current debt</b>	£
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
 <b>Total non-current debt</b>	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
 <b>Shareholder equity</b>	£
Share capital	50,000
Ordinary Shares to be issued	767,000
Retained deficit	(55,670)
	<hr/>
Total	761,330
	<hr/> <hr/>

The following table shows the Company's net indebtedness as at 31 May 2019:

	£
A. Cash	773,330
B. Cash equivalent	-
C. Trading securities	-
D. <b>Liquidity (A) + (B) + (C)</b>	<b>773,330</b>
E. Current financial receivable	-
F. Current bank debt	-
G. Current portion of non-current debt	-
H. Other current financial debt	-
I. <b>Current financial debt (F) + (G) + (H)</b>	<b>-</b>
J. <b>Net current financial indebtedness (I) - (E) - (D)</b>	<b>(773,330)</b>
K. Non-current bank loans	-
L. Bonds issued	-
M. Other non-current loans	-
N. <b>Non-current financial indebtedness (K) + (L) + (M)</b>	<b>-</b>
O. <b>Net financial indebtedness (J) + (N)</b>	<b>(773,330)</b>

As at the date of this Document, the Company had cash resources of £773,330.

## **PART VI**

### **TAXATION**

#### **Taxation in the United Kingdom**

The following information is based on current United Kingdom tax law and HMRC practice currently in force in the United Kingdom. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

#### **Tax treatment of United Kingdom investors**

The following information, which relates only to United Kingdom taxation, is applicable to persons who are resident in the United Kingdom and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the United Kingdom. The information is not exhaustive and does not apply to potential investors:

- (i) who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- (ii) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- (iii) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the United Kingdom and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the United Kingdom with which the Ordinary Shares are connected, will not normally be liable to United Kingdom taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

#### ***Dividends***

Where the Company pays dividends, no United Kingdom withholding taxes are deducted at source. Shareholders who are resident in the United Kingdom for tax purposes will, depending on their circumstances, be liable to United Kingdom income tax or corporation tax on those dividends.

United Kingdom resident individual Shareholders who are domiciled in the United Kingdom, and who hold their Ordinary Shares as investments, will be subject to United Kingdom income tax on the amount of dividends received from the Company.

Dividend income received by United Kingdom tax resident individuals will have a £2,000 per annum dividend tax allowance. Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent for higher rate taxpayers, and 38.1 per cent. for additional rate taxpayers.

Shareholders who are subject to United Kingdom corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from United Kingdom corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

#### ***Disposals of Ordinary Shares***

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent., and for upper rate and additional is 20 per cent.

For Shareholders within the charge to United Kingdom corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent. falling to 17 per cent. after 1 April 2020.

#### ***Further information for Shareholders subject to United Kingdom income tax and capital gains tax***

*“Transactions in securities”*

The attention of Shareholders (whether corporates or individuals) within the scope of United Kingdom taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel “*tax advantages*” derived from certain prescribed “*transactions in securities*”.

#### **Stamp duty and stamp duty reserve tax**

No United Kingdom stamp duty or stamp duty reserve tax will be payable on the allotment and issue of Ordinary Shares pursuant to the Placing.

Most investors will purchase existing Ordinary Shares using the CREST paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5 per cent.. Where Ordinary Shares are acquired using paper (i.e. non-electronic settlement) stamp duty will become payable at 0.5 per cent. if the purchase consideration exceeds £1,000.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

**THIS SUMMARY OF UNITED KINGDOM TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UNITED KINGDOM TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UNITED KINGDOM LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UNITED KINGDOM, SHOULD CONSULT HIS PROFESSIONAL ADVISER.**

## PART VII

### ADDITIONAL INFORMATION

#### 1. Responsibility

The Directors, whose names appear on page 32, and the Company accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company (who have each taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.

#### 2. The Company

- 2.1 The Company was incorporated England and Wales on 5 September 2018 with the name BSF Enterprise Plc with the registration number 11554014 as a public company limited by shares. The Company has not changed its name since incorporation.
- 2.2 The Company is not regulated by the FCA or any financial services or other regulator. With effect from Admission the Company will be subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the UK Listing Authority), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.
- 2.3 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Companies Act. The currency of the Ordinary Shares is Pounds Sterling.
- 2.4 The Company's registered office is at c/o Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB. The Company's telephone number is 0207 861 9000 and its website can be found at [www.bsenterprise.com](http://www.bsenterprise.com).
- 2.5 On incorporation of the Company, one Ordinary Share was issued to Mr Baker and one ordinary Share was issued to Ms Yang, each fully paid up and at a nominal value of 1p.
- 2.6 Subsequently, on 15 January 2019, the Subscribers were issued, in aggregate, 5,000,000 Ordinary Shares paid up in full at nominal value pursuant to the terms of the Subscription Letters.
- 2.7 On 15 January 2019, the Company adopted the Articles in substitution for and to the exclusion of the Company's then existing articles of association and operates in conformity with its constitution.
- 2.8 On 16 January 2019, the Company obtained its trading certificate pursuant to section 761 of the Companies Act.
- 2.9 As at 18 July 2019, being the latest practicable date prior to publication of this Document, the Company did not have any subsidiaries.

#### 3. Share Capital

- 3.1. The following table shows the issued and fully paid shares of the Company at the date of this Document:

##### Issued and Credited as Full Paid

<u>Class of Share</u>	<u>Number</u>	<u>Amount Called and Paid up</u>
Ordinary	5,000,002	£50,000.02

- 3.2. The issued and fully paid shares of the Company immediately following Admission is anticipated to be as shown in the following table:

##### Issued and Credited as Full Paid

<u>Class of Share</u>	<u>Number</u>	<u>Amount Paid up</u>
Ordinary	20,340,002	£817,000.02

- 3.3. Save as disclosed in this Document, as at the date of this Document, the Company will have no short, medium or long term indebtedness.

3.4. Pursuant to ordinary and special resolutions passed on 15 January 2019, the Company resolved:

- (a) pursuant to section 551 of the Companies Act, to grant the Directors general authority to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (“**Relevant Securities**”) up to an aggregate nominal amount of (i) £50,000 in connection with the issue of the Subscription Shares, (ii) £250,000 in connection with the Placing, (iii) £200,000 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant to the authority referred to in sub-paragraph (a)(iv) below) in connection with a rights issue or other offer to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings and to holders of other equity securities (as defined in section 560 of the Companies Act) or as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange, and (iv) otherwise than pursuant to sub-paragraphs (a)(i) to (iii) above inclusive, the allotment of equity securities up to an aggregate nominal amount of £100,000 or, if less, the nominal value of one third of the Enlarged Share Capital (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant to the authority granted in sub-paragraph (a)(iii) above in excess of £100,000), provided that such authority shall, unless renewed, varied or revoked by the Company, expire at the conclusion of the next annual general meeting of the Company or, if earlier, 14 April 2020, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Relevant Securities to be granted and the Directors may allot shares or grant Relevant Securities pursuant to such offer or agreement notwithstanding that such authority has expired; and
- (b) pursuant to section 570 of the Companies Act, to general empower the Directors to allot equity securities (as defined in section 560 of the Companies Act) for cash as if section 561(1) of the Companies Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities in connection with (i) the issue of Ordinary Shares pursuant to the authorities granted under paragraph 3.4(a)(i) and (ii) above, (ii) an offer made pursuant to the authority granted by resolution 3.4(a)(iii) above by way of a rights issue or other offer to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings and to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange, and (iii) otherwise than pursuant to sub-paragraphs (b)(i) and (b)(ii) above, up to an aggregate nominal value of £30,000 (being equivalent to approximately 10 per cent. of the Enlarged Share Capital), and this authority shall expire at the next annual general meeting of the Company or, if earlier, 14 April 2020 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that such power has expired; and
- (c) to adopt new articles of association of the Company.

3.5. Save as disclosed in this Document:

- (a) there are no shares not representing capital;
- (b) no share or loan capital of the Company has been issued or is proposed to be issued;
- (c) no person has any preferential subscription rights for any shares of the Company;
- (d) no Ordinary Shares are held by or on behalf of the Company by itself;
- (e) no share or loan capital of the Company is convertible or unconditionally to be put under option or subject to warrant;
- (f) no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company; and

(g) the Ordinary Shares are freely transferrable.

3.6. The Ordinary Shares will be listed on the Official List and will be traded on the main market of the London Stock Exchange. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on any other stock exchange or securities market.

3.7. The Placing Shares will on Admission, rank *pari passu* in all respects with the Ordinary Shares including the right to receive all dividends to other distributions hereafter declared, paid or made on the ordinary share capital of the Company.

#### **4. Articles of Association of the Company**

4.1. Pursuant to section 31 of the Companies Act, the Company has unrestricted objects. Set out below is a summary of the provisions of the Articles. A copy of the Articles is available for inspection at the address specified in paragraph 2.4 of this Part VIII of this Document.

##### **(a) Share Capital**

The Company's share capital currently consists of Ordinary Shares. The liability of the members of the Company is limited to the amount, if any, unpaid on the Ordinary Shares held by them. The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution or as the Board shall determine, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares. Subject to Companies Act, whenever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares in issue may (unless otherwise provided by the terms of issue of the shares of that class) from time to time be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of such holders (but not otherwise).

##### **(b) Voting**

The Shareholders have the right to receive notice of, and to vote at, general meetings of the Company. Each Shareholder who is present in person (or, being a corporation, by representative) at a general meeting on a show of hands has one vote and, on a poll, every such holder who is present in person (or, being a corporation, by representative) or by proxy has one vote in respect of every share held by him.

##### **(c) Dividends**

The Company may, subject to the provisions of the Companies Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors. Subject to the provisions of the Companies Act in so far as, in the Directors' opinions, the Company's profits justify such payments, the Directors may pay interim dividends on any class of shares except for shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. Any dividend, unclaimed after a period of 12 years from the date such dividend was declared or became payable shall, if the Directors resolve, be forfeited and revert to the Company. The Company does not pay interest on any dividend unless otherwise provided by the terms on which the shares were issued or the provision of another agreement.

##### **(d) Transfer of Ordinary Shares**

Each member may transfer all or any of his shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each member may transfer all or any of his shares which are in uncertificated form by means of a relevant system in such manner provided for, and subject as provided in, the uncertificated securities rules.

The Board may, in its absolute discretion, refuse to register a transfer of certificated shares unless:

- (i) it is only for one class of share;
- (ii) it is in favour of no more than four joint transferees;
- (iii) it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty; and



- (vi) it is delivered for registration to the registered office of the Company (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

**(e) Allotment of shares and pre-emption rights**

Subject to the Companies Act and the Articles and in accordance with section 551 of the Companies Act, the Directors shall be generally and unconditionally authorised to exercise for each prescribed period, all the powers of the Company to allot shares up to an aggregate nominal amount equal to the amount stated in the relevant special resolution passed pursuant to section 561 of the Companies Act, authorising such allotment.

Under and within the terms of the said authority or otherwise in accordance with section 570 of the Companies Act, the Directors shall be empowered during each prescribed period to allot equity securities (as defined in the Companies Act):

- (i) in accordance with a rights issue;
- (ii) otherwise than in connection with a rights issue up to an aggregate nominal amount equal to the amount stated in the relevant ordinary or special resolution passed pursuant to section 551 of the Companies Act, authorising such allotment.

**(f) Directors**

Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two, but there shall be no maximum number of Directors.

Subject to the Articles and the Companies Act, the Company may by ordinary resolution appoint a person who is willing to act as a Director and the Board shall have power at any time to appoint any person who is willing to act as a Director, in both cases either to fill a vacancy or as an addition to the existing Board.

At the third annual general meeting all Directors shall retire from office and may offer themselves for re-appointment by the Shareholders by ordinary resolution.

At every subsequent annual general meeting any director who:

- (i) has been appointed by the Directors since the last annual general meeting; or
- (ii) was not appointed or re-appointed at one of the preceding two annual general meetings;

must retire from office and may offer themselves for reappointment by the Shareholders by ordinary resolution.

Subject to the provisions of the Articles, the Board, which may exercise all the powers of the Company, may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors.

The quorum for a Directors' meeting shall be fixed from time to time by a decision of the Directors, but it must never be less than two and unless otherwise fixed, it is two.

Questions arising at a meeting shall be decided by a majority of votes of the participating directors, with each director having one vote. In the case of an equality of votes the chairman shall have a second or casting vote.

The Directors shall be entitled to receive such remuneration as the Directors shall determine for their services to the Company as directors and for any other service which they undertake for the Company provided that the aggregate fees payable to the Directors must not exceed such amount as may from time to time be decided by ordinary resolution of the Company. The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in connection with their attendance at meetings of Shareholders or class meetings, board or committee meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

The Board may, in accordance with the requirements in the Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under the Companies Act to avoid conflicts of interests.

A Director seeking authorisation in respect of such conflict shall declare to the Board the nature and extent of his interest in a conflict as soon as is reasonably practicable. The Director shall provide the Board with such details of the matter as are necessary for the Board to decide how to address the conflict together with such additional information as may be requested by the Board.

Any authorisation by the Board will be effective only if:

- (i) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of the Articles;
- (ii) any requirement as to the quorum for consideration of the relevant matter is met without counting the conflicted Director and any other conflicted Director; and
- (iii) the matter is agreed to without the conflicted Director voting or would be agreed to if the conflicted Director's and any other interested Director's vote is not counted.

**(g) General meetings**

The Company must convene and hold annual general meetings in accordance with the Companies Act.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by the articles, two Shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes.

**(h) Borrowing Powers**

Subject to the Articles and the Companies Act, the Board may exercise all of the powers of the Company to:

- (i) borrow money;
- (ii) indemnify and guarantee;
- (iii) mortgage or charge;
- (iv) create and issue debentures and other securities; and
- (v) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

**(i) Capitalisation of profits**

The Directors may, if they are so authorised by an ordinary resolution of the Shareholders, decide to capitalise any undivided profits of the Company (whether or not they are available for distribution), or any sum standing to the credit of the Company's share premium account or capital redemption reserve. The Directors may also, subject to the aforementioned ordinary resolution, appropriate any sum which they so decide to capitalise to the persons who would have been entitled to it if it were distributed by way of dividend and in the same proportions.

**(j) Uncertificated Shares**

Subject to the Companies Act, the Directors may permit title to shares of any class to be issued or held otherwise than by a certificate and to be transferred by means of a relevant system without a certificate.

The Directors may take such steps as it sees fit in relation to the evidencing of and transfer of title to uncertificated shares, any records relating to the holding of uncertificated shares and the conversion of uncertificated shares to certificated shares, or vice-versa.

The Company may by notice to the holder of an uncertificated share, require that share to be converted into certificated form.

The Board may take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

(k) **Winding Up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide among the Shareholders in specie any whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division should be carried out as between the Shareholders or different classes of Shareholder. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

**5. Directorships and Partnerships**

In addition to their directorships of the Company, the Directors are, or have been, members of the administrative, management or supervisory bodies or partners of the following companies or partnerships, at any time in the five years prior to the date of this Document.

*Current Directors*

**Min Yang**

*Current directorships and partnerships*

ASF Group Ltd  
Rey Resources Limited  
ActivEx Limited  
Key Petroleum Limited

*Former directorships and partnerships*

Metaliko Resources Ltd

**Geoff Baker**

*Current directorships and partnerships*

ASF Group Ltd  
Rey Resources Limited  
ActivEx Limited  
Key Petroleum Limited  
Redstrike Group Limited

*Former directorships and partnerships*

Metaliko Resources Ltd

**6. Directors' Confirmations**

6.1. At the date of this Document none of the Directors:

- (i) has any convictions in relation to fraudulent offences for at least the previous five years;
- (ii) save as disclosed at paragraph 6.1 above, has been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company for at least the previous five years;
- (iii) has any family relationship with any of the other Directors;
- (iv) had any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by or to the Company, or any such interest in any contract or arrangement subsisting at the date of this Document and which is significant to the business of the Company; or
- (v) has been subject to any official public incrimination and/or sanction of him by any statutory or regulatory authority (including any designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

- 6.2. Whilst the Board are confident that there are no conflicts of interest between any duties owed to the Company by the Directors and their private interests or other duties, each Director holds multiple directorships and may, therefore have conflicts of interest in allocating time among various business activities. Each Director is, however, committed to dedicating sufficient time to the Company as necessary to meet its objectives and each will manage their time such that they are fully able to fulfil their duties as non-executive Directors to the Company and their board duties in respect of their other business interests.
- 6.3. As at the date of this Document, neither the Directors or members of the administrative, management or supervisory bodies of the Company have any interests in options or warrants in the Ordinary Shares.

## 7. Directors' interests

Save as disclosed below, none of the Directors nor any member of their immediate families has or will have on or following Admission any interests (beneficial or non-beneficial) in the shares of the Company.

### Interests immediately following Admission

Director	No. of Ordinary Shares	Percentage of Issued Ordinary Shares
Min Yang*	5,000,000	24.58%
Geoffrey Baker	1	Nil

- Min Yang indirectly holds 6,000,000 Ordinary Shares through Advance Plan Investments Ltd, a company of which she is the sole shareholder and director and a further 1 Ordinary Share held directly in her own name.

## 8. Major Shareholders and other interests

- 8.1. As at 18 July 2019 (being the latest practicable date prior to the publication of this Document), no person other than in the case of the Directors as set out in paragraph 7 above and in the case of those Shareholders set out below, will have a notifiable interest in the issued shares of the Company.
- 8.2. Immediately following Admission, as a result of the Placing, the Directors expect that the following persons will have an interest, directly or indirectly, in at least three per cent. of the voting rights attached to the Company's issued shares. Such persons will be required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.

Shareholder	No. of Ordinary Shares	Percentage of issued ordinary share capital
Yue-Ming Pan	800,000	3.93 %
Shi Ming Chen	800,000	3.93%
Daniel Yuan Fang	800,000	3.93%
Qi Sai	800,000	3.93%
Shi Ping Chen	800,000	3.93%
Fai-Yue Lam	900,000	4.42%

Walter Yiu-Kwong Hui	900,000	4.42 %
Business Victor Investments Limited	2,400,000	11.80%
Advance Plan Investments Ltd*	5,000,000	24.58%
Trade Hero Holdings Limited	6,000,000	29.50%
*Min Yang is the director and sole shareholder of Advance Plan Investments Ltd.		

- 8.3. As at 18 July 2019 (being the latest practicable date prior to the publication of this Document), and save for the cor exercised by the Directors (which will cease upon Admission) the Company was not aware of any person or persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.
- 8.4. Those interested, directly or indirectly, in three per cent. or more of the issued Ordinary Shares of the Company do not now, and, following the Placing and Admission, will not, have different voting rights from other holders of Ordinary Shares.

## 9. Working capital

The Company is of the opinion that the working capital available to the Company, taking into account the Net Proceeds, is sufficient for the Company's present requirements that is for at least the 12 months from the date of this Document.

## 10. Significant change

- 10.1. The Company Financial Information included in Part VI(B) "*Historical Financial Information of the Company*" of Part VI "*Financial Information of the Company*" has been audited as at 31 May 2019. There have been no significant changes in the financial or trading position of the Company in either the period ended 31 May 2019 or subsequent thereto to the date of this Document.

## 11. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months prior to the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

## 12. Mandatory Bids, Squeeze out and Sell out Rules relating to Ordinary Shares

### *Mandatory Bids*

The City Code applies to the Company. Under Rule 9 of the City Code, if:

- (a) a person acquires an interest in shares in the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30% or more of the voting rights in the Company; or
- (b) a person who, together with persons acting in concert with him, is interested in not less than 30% and not more than 50% of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and, depending on the circumstances, his concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or his concert parties during the previous 12 months.

### *Squeeze-out rules*

Under the Companies Act, if an offeror were to acquire 90 per cent. or more of the Ordinary Shares within the period specified by the Companies Act, it could then compulsorily acquire the remaining Ordinary Shares. It would do so by sending a notice to the relevant Shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold such consideration on trust for such Shareholders. The consideration offered to Shareholders whose Ordinary Shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the relevant takeover offer, unless such Shareholders can show that the offer value is unfair.

### *Sell-out rules*

The Companies Act also gives minority Shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relates to all of the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror holds or has agreed to acquire not less than 90 per cent. of the Ordinary Shares, any holder of the Ordinary Shares to which such offer relates who has not accepted the offer can by written communication to the offeror require it to acquire those Ordinary Shares. The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising. If a Shareholder exercises its right to be bought out, the offeror is bound to acquire the relevant Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

## **13. Material contracts**

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company since the Company's incorporation which: (i) are, or may be, material to the Company; or (ii) contain obligations or entitlements which are, or may be, material to the Company as at the date of this Document:

### *13.1. Registrar Agreement*

The Registrar is responsible for providing share registration services to the Company under the terms of a registrars agreement dated 16 April 2019, for an initial period of 12 months from 18 July 2019. In certain circumstances, the parties will be entitled to terminate the agreement by giving 6 months' notice, or immediately if an insolvency event occurs in respect of the other party or in the case of material breach (including non-payment of fees due).

The Company has agreed to pay the Registrar's fees in quarterly arrears in respect of its standard service. The basic fee comprises £1.25 per holding per annum (subject to a minim charge of £400 per quarter). The Registrar may, on 1 April each year, review its fee arrangements and will give the Company at least one month's written notice of any alteration to such charges. The Registrar agreement is governed by English law.

### *13.2. Subscription Letters*

Each of the Subscribers and the Company entered into the Subscription Letters dated 24 December 2018 pursuant to which each Subscriber subscribed for Subscription Shares at nominal value. The Subscription Shares were issued to the Subscribers on 15 January 2019. The Subscription Letters are governed by English law.

### *13.3. Yang Relationship Agreement*

On the date of this Document, the Company and Ms Yang entered into the Yang Relationship Agreement, pursuant to which it was agreed that Ms Yang would provide certain undertakings to the Company for the purpose of ensuring that the Company will at all times be carried on in a manner which is independent of her, and any transactions or arrangements between them and the Company will be at arm's length and on normal commercial terms. The undertakings under this agreement shall apply for so long as the Company's shares are admitted to trading on the Main Market and Ms Yang continues to hold more than 20 per cent. of the voting rights of the Company. This agreement is governed by English law.

## **14. Related party transactions**

From 5 September 2018 (being the Company's date of incorporation) up to and including the date of this Document, the Company has not entered into any related party transactions other than as set out below:

### *14.1. Directors' letters of appointment*

Ms Yang and Mr Baker have each been appointed by the Company pursuant to letters of appointment dated 18 July 2019 for a period of 12 months and thereafter subject to termination by either party on three months' notice. Ms Yang

and Mr Baker shall be appointed as Chairman. The Non-Executive Directors have each agreed to not be remunerated until such time as an Acquisition is completed. The Non-Executive Directors have agreed to commit an equivalent of at least one day a month to the Company. The Non-Executive Directors are not entitled to any other benefits other than the reimbursement of their reasonable expenses. The letters of appointment are governed by English law.

#### *14.2. Director Incentives*

None of the Directors hold options, warrants or any form of convertible security in respect of Ordinary Shares. There is currently no intention for the Company to make incentivisation arrangements for the Directors to be involved in the capital of the Company or otherwise any employee share option arrangements.

### **15. General**

- 15.1. Crowe U.K. LLP whose address is St. Bride's House, 10 Salisbury Square, London EC4Y 8EH, UK have been appointed as the first auditors of the Company and are registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.
- 15.2. Crowe U.K. LLP has given and has not withdrawn its consent to the inclusion in this Document of its accountant's report on the historical financial information set out in Part VII of this Document in the form and context in which they are included and has authorised the contents of that report for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Rules.
- 15.3. No information contained in this Document has been sourced from a third party.
- 15.4. The Company has not had any employees since its incorporation and does not own any premises or material fixed assets.
- 15.5. The total expenses incurred (or to be incurred) by the Company in connection with Admission and the incorporation (and initial capitalisation) of the Company are approximately £270,000. The estimated Net Proceeds, after deducting fees and expenses in connection with Admission, are approximately £497,000.
- 15.6. No Ordinary Shares are currently in issue and no Ordinary Shares will be in issue on Admission with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 15.7. No payment (including commissions) or other benefit has been or is to be paid or given to any promoter of the Company.
- 15.8. There are no pensions or other similar arrangements in place with the Directors nor are there any such arrangements proposed.
- 15.9. The Company has made no investments since incorporation, has no investments in progress and there are no future investments on which the Directors have already made firm commitments which are or may be significant to the Company.
- 15.10. The Directors are unaware of any exceptional factors which have influenced the Company's activities.
- 15.11. The Directors are not aware of any patents, licences or other intellectual property rights, industrial, commercial or financial contracts or new manufacturing processes which are or may be of material importance to the business or profitability of the Company.
- 15.12. There have been no public takeover bids by third parties in respect of the Ordinary Shares during the period from incorporation to the date of this Document.
- 15.13. The Directors are not aware of any significant trends in the Company in costs between incorporation and the date of this Document, or any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year, or any environmental issues that may affect the Company's utilisation of its tangible fixed assets.

### **16. Availability of this Document**

Following Admission, copies of this Document may be collected, free of charge during normal business hours, from the registered office of the Company: c/o Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB. In addition, this Document will be published in electronic form and be available on the Company's website at [www.bsenterprise.com](http://www.bsenterprise.com), subject to certain access restrictions applicable to persons located or resident outside the United Kingdom.

### **17. Documents for inspection**

Copies of the following documents may be inspected at the registered office of the Company during usual business hours on any day (except Saturdays, Sundays and public holidays) from the date of this Document until the Placing closes:

- (i) the Articles;
- (ii) the accountant's reports on the historical financial information prepared by Crowe U.K. LLP set out in Part VI of this Document;
- (iii) the letters of appointment entered into between the Company and the Directors; and
- (iv) this Document.

Dated: 19 July 2019.



## **PART VIII**

### **NOTICES TO INVESTORS**

The distribution of this Document and the Placing may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

#### **General**

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Document has been approved by the FCA as a prospectus which may be used to offer securities to the public for the purposes of section 85 of FSMA, and of the Prospectus Directive. No arrangement has however been made with the competent authority in any other EEA State (or any other jurisdiction) for the use of this document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below.

#### **For the attention of all Investors**

The Ordinary Shares are only suitable for acquisition by a person who: (a) has a significantly substantial asset base such that would enable the person to sustain any loss that might be incurred as a result of acquiring the Ordinary Shares; and (b) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the Ordinary Shares.

#### **For the attention of European Economic Area Investors**

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of the Ordinary Shares may only be made once the prospectus has been passported in such Relevant Member State in accordance with the Prospectus Directive as implemented by such Relevant Member State. For the other Relevant Member States an offer to the public in that Relevant Member State of any Ordinary Shares may only be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State subject to obtaining prior consent of the Company for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any offer of Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and any amendments, thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

During the period up to but excluding the date on which the Prospectus Directive is implemented in member states of the EEA, this Prospectus may not be used for, or in connection with, and does not constitute, any offer of Ordinary Shares or an invitation to purchase or subscribe for any Ordinary Shares in any member state of the EEA in which such offer or invitation would be unlawful.

The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions.

**For the attention of U.K. Investors**

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Rules and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

This Document is being distributed only to and is directed at persons who (if they are in the EEA) fall within one of the categories of persons set out above in Part IX of this Document. In addition, this Document is being distributed only to and is directed at persons in the United Kingdom who are: (i) persons having professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act (Financial Promotions) Order 2005 ("Financial Promotions Order"); or (ii) persons who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a)-(d) of the Financial Promotions Order; or (iii) persons to whom it may otherwise be lawful to distribute (all such persons together being referred to as "relevant persons").

## PART IX

### DEFINITIONS

The following definitions apply throughout this Document unless the context requires otherwise:

“acting in concert”	has the meaning given in the City Code;
"Acquisition"	means the acquisition(s) by the Company or by any subsidiary thereof (which may be in the form of a merger, capital stock exchange, asset acquisition, stock purchase, scheme of arrangement, reorganisation or similar business combination) of an interest in a company, business or asset as described in Part I of this Document;
"Admission"	means admission of the Ordinary Shares to the Official List by way of a Standard Listing and to trading on the main market for listed securities of the London Stock Exchange becoming effective;
"Articles of Association" or "Articles"	means the articles of association of the Company in force from time to time;
"Business Day"	means a day (other than a Saturday or a Sunday) on which banks are open for business in London;
"certificated" or "in certificated form"	means an Ordinary Share, title to which is recorded in the relevant share register as being held in certificated form (that is, not in CREST);
"Chairman"	Means Ms Yang, or the Chairman of the Board from time to time, as the context requires, provided that such person was independent on appointment for the purposes of the UK Corporate Governance Code;
"Change of Control"	means, following an Acquisition, the acquisition of Control of the Company by any person or party (or by any group of persons or parties who are acting in concert);
"City Code"	means the City Code on Takeovers and Mergers as issued from time to time by or on behalf of the Panel;
"Companies Act"	means the UK Companies Act 2006, as amended;
"Company"	means BSF Enterprise Plc, a company incorporated in England and Wales under the Companies Act on 5 September 2018, with company number 11554014;
“Company Financial Information”)	means the audited historical financial information on the Company for the period from incorporation on 5 September 2018 to 31 May 2019;
"Control"	means: (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (a) cast, or control the casting of, more than 30 per cent. of the maximum number of votes that might be cast at a general meeting of the Company; or (b) appoint or remove all, or the majority, of the Directors or other equivalent officers of the Company; or (c) give directions with respect to the operating and financial policies of the Company with which the Directors or other equivalent officers of the Company are obliged to comply; and/or (ii) the holding beneficially of more than 30 per cent. of the issued shares of the Company (excluding any issued shares that carry no right to participate beyond a specified amount in a distribution of either profits or capital), but excluding in the case of each of (i) and (ii) above any such power or holding that arises as a result of the issue of Ordinary Shares by the Company in connection with an Acquisition;

"CREST" or "CREST System"	means the computer-based system (as defined in the CREST Regulations) operated and administered by Euroclear enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments;
"CREST Regulations"	means The Uncertified Securities Regulations 2001 (SI 2001 3755), as amended;
"Directors" or "Board" or "Board of Directors"	means the directors of the Company, whose names appear in "Part II—The Company, its Board and the Acquisition Structure", or the board of directors from time to time of the Company, as the context requires, and "Director" is to be construed accordingly;
"Disclosure Guidance and Transparency Rules"	means the FCA disclosure guidance and transparency rules made in accordance with section 73A of FSMA as amended from time to time;
"Document"	means this prospectus;
"EEA"	means the European Economic Area;
"EEA States"	means the member states of the European Union and the European Economic Area, each an "EEA State";
"Enlarged Company"	means the Company and the relevant company that is the Acquisition target which has been acquired;
"Enlarged Share Capital"	means the entire issued share capital of the Company upon Admission, comprising the New Ordinary Shares and the Existing Ordinary Shares;
"Existing Ordinary Shares"	means the 5,000,002 Ordinary Shares in issue as at the date of this document;
"EU"	means the Member States of the European Union;
"Euroclear"	means Euroclear UK & Ireland Limited;
"FCA"	means the UK Financial Conduct Authority;
"FSMA"	means the UK Financial Services and Markets Act 2000, as amended;
"general meeting"	means a meeting of the Shareholders of the Company or a class of Shareholders of the Company (as the context requires);
"HMRC"	means HM Revenue and Customs;
"IFRS"	means International Financial Reporting Standards as adopted by the European Union;
"Investor(s)"	means a person who confirms his agreement to the Company to subscribe for New Ordinary Shares pursuant to the Placing;

"Listing Rules"	means the listing rules made by the UK Listing Authority under section 73A of FSMA as amended from time to time;
"London Stock Exchange"	means London Stock Exchange plc;
"MAR"	means EC Regulation 394/2014 on market abuse;
"Net Proceeds"	means the Subscription Proceeds, and the Placing Proceeds less any expenses paid or payable in connection with Admission, the Placing and incorporation of the Company (and initial capitalisation) of the Company;
"New Ordinary Shares"	means the Ordinary Shares to be issued and allotted pursuant to the Placing;
"Non Executive Director"	a director who is not a full or part-time employee of the Company or holder of an executive office;
"Official List"	means the official list maintained by the UK Listing Authority;
"Ordinary Shares"	means the ordinary shares of 1p each in the capital of the Company including, if the context requires, the New Ordinary Shares;
"Panel"	means the Panel on Takeovers and Mergers;
"Placing"	means the proposed placing of the New Ordinary Shares by the Company at the Placing Price, conditional on Admission and on the terms and subject to the conditions set out in this Document;
"Placing Price"	means 5p per New Ordinary Share;
"Placing Proceeds"	means £767,000, being the gross proceeds received on closing of the Placing;
"Premium Listing"	means a premium listing under Chapter 6 of the Listing Rules;
"Prospectus Directive".	means Directive 2003/71/EC (and any amendments thereto, including Directive 2010/73/EU, to the extent implemented in the relevant member state), and includes any relevant implementing measures in each EEA State that has implemented Directive 2003/71/EC;
"QCA Code"	means the Corporate Governance Code for Small and Mid-Size Quoted Companies 2018 published by the Quoted Companies Alliance;
"Registrar"	means Share Registrars Limited or any other registrar appointed by the Company from time to time;
"SEC"	means the U.S. Securities and Exchange Commission;
"Securities Act"	means the U.S. Securities Act of 1933, as amended;
"Shareholders"	means the holders of Ordinary Shares;
"Standard Listing"	means a standard listing under Chapter 14 of the Listing Rules;

"Subscribers"	means the subscribers of the Subscription Shares;
"Subscription Letters"	means the subscription letters pursuant to which the Subscribers subscribed for the Subscription Shares dated 24 December 2018;
"Subscription Proceeds"	means £50,000 being the funds invested, in aggregate, by the Subscribers pursuant to the Subscription Letters, to subscribe for the Subscription Shares, prior to the Placing;
"Subscription Shares"	means the 5,000,000 Ordinary Shares issued to the Subscribers pursuant to the Subscription Letters;
"Takeover Panel"	the Panel on Takeovers and Mergers;
"Trade Hero Holdings Limited"	means Trade Hero Holdings Limited a company incorporated in the British Virgin Islands;
"Trading Day"	means a day on which the main market of the London Stock Exchange (or such other applicable securities exchange or quotation system on which the Ordinary Shares are listed) is open for business (other than a day on which the main market of the London Stock Exchange (or such other applicable securities exchange or quotation system) is scheduled to or does close prior to its regular weekday closing time);
"UK Corporate Governance Code"	means the UK Corporate Governance Code issued by the Financial Reporting Council from time to time;
"UK Listing Authority"	means the FCA in its capacity as the competent authority for listing in the U.K. pursuant to Part VI of FSMA;
"uncertificated" or "uncertificated form"	means, an Ordinary Share, title to which is recorded in the relevant share register as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST;
"United Kingdom" or "U.K."	means the United Kingdom of Great Britain and Northern Ireland;
"United States" or "U.S."	means the United States of America;
"Yang Relationship Agreement"	means an agreement entered into between the Company and Ms Yang to take effect on or around the date of Admission, further details of which are set out in paragraph 13.3 of part VI of this document;

References to a "company" in this Document shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.