Registered number: 09624969

Senterra Energy plc

Annual Report and Financial Statements
for the period ended 31 December 2015

Contents

Company information

Directors	Alberto Cattaruzza *(Non-Executive Director)* Jeremy King *(Non-Executive Director)* Kurt Portmann *(Non-Executive Chairman)*
Registered Office	One Eleven Edmund Street Birmingham B3 2HJ
Registered Number	09624969
Financial Adviser	Beaumont Cornish Limited 2nd Floor, Bowman House 29 Wilson Street London EC2M 2SJ
Joint Brokers	Optiva Securities Limited 2 Mill Street, Mayfair London W1S 2AT Dowgate Capital Stockbrokers Limited Talisman House, Jubilee Walk Crawley RH10 1LQ
Auditors	Crowe Clark Whitehill LLP St Bride's House, 10 Salisbury Square London EC4Y 8EH
Legal advisers	DMH Stallard LLP 6 New Street Square New Fetter Lane London EC4A 3BF
Principal Bankers	Coutts & Co 440 Strand London WC2R 0QS
Registrars	Share Registrars Limited The Courtyard, 17 West Street Farnham, GU9 7DR

Board of Directors

Kurt Portmann *(DOB 11 March 1945) – **Non-Executive Chairman***

Since 1987, Kurt Portmann has been president of Portmann Finances SA, a private equity firm and as of 2005, president of EQ'Y SA, a wealth manager, which are both based in Sarnen, Switzerland. In addition, in 1995 he founded Optiva Securities Limited, of which he is currently Chairman, a broker regulated by the FCA and a member of the London Stock Exchange.

Kurt has over 50 years of experience in international financial markets, institutional stockbroking and fund management. He was instrumental in forming Canadian oil and gas company Epsilon Energy ("Epsilon") in 2005, of which he was a director until July 2013. Epsilon listed on the TSX in 2007 raising c$78 million. He was also a non-executive director at Rockerfeller Hughes Inc, a Canadian company, now TSX Venture Exchange-traded and active in the oil shale exploration in Texas, USA.

Jeremy King *(DOB 7 March 1963) – **Non-executive Director***

Jeremy King is a senior corporate finance executive with over 18 years' experience and has advised many clients on IPOs, fundraising, takeovers, mergers and acquisitions and continuing obligations. Jeremy is a director of Optiva Securities Limited and head of corporate finance. Previously he was a director of English Trust Company, a corporate finance house, where he originated and lead the IPO of Private Equity Investor plc on the Full List of the London Stock Exchange, raising £100 million from investors.

Alberto Cattaruzza *(DOB 10 August 1937) – **Non-executive Director***

Mr Cattaruzza graduated as a Chemical Engineer from the University of Padua and, having worked in Germany for LURGI, he returned to Italy in 1966 and joined Chevron Oil Italiana as Planning Analyst, subsequently moving to Assistant Manager, Planning, Supply & Refining Manager, Marketing Operations Manager and Commercial Sales Manager. During this period, he was appointed Board Member of the two Italian refining companies of which Chevron was a shareholder.

When Chevron left Europe in the 1980s, Mr Cattaruzza became General Manager of an Italian private refining and marketing company, and was appointed Board Member of a number of companies belonging to the same Group, including the IASB refinery in Sicily where the majority partners were ENI and ERG.

In 1995, Mr Cattaruzza joined the Oilinvest Group, operating in Europe under the brand name Tamoil, as Managing Director of their German affiliate with HQ in Hamburg. He was later appointed Oilinvest Refining & Marketing Officer and Board Member of several other Group companies in Hungary, the Czech Republic and Italy.

In 2001, Mr Cattaruzza started an independent entity providing technical and business consultancy services in the oil sector. His clients include a large number of oil companies in Europe and the Middle East, as well as international consulting companies such as Accenture and The Boston Consulting Group.

Chairman's Statement

On behalf of the Board of Directors, it gives me great pleasure to present the financial statements of Senterra Energy plc (the "Company" or "Senterra") for the period ended 31 December 2015.

On 10 November 2015, Senterra's shares were admitted to the Official List of the UK Listing Authority ("UKLA") by way of a standard listing under Chapter 14 of the UKLA's Listing Rules and to trading on the London Stock Exchange's main market ("Admission").

On Admission, the Company issued 25,000,000 new ordinary shares at a price of 5 pence per share, raising £1.25 million before expenses.

Senterra was formed to take control of or invest in businesses within the oil and gas sector favouring companies with existing production and revenues where there would be scope for growth and attractive returns for shareholders.

Subsequent to the period end, following our announcement of 22 February 2016, the Company continued to both conduct due diligence upon acquisition targets within the oil and gas sector and follow up on expressions of interest by other parties with opportunities outside that of the energy sector who had expressed interest in working with Senterra to facilitate a public listing.

On 23 May 2016, we were therefore pleased to announce that the Company had signed a non-binding letter of intent to acquire a SIM-card technology business based in Singapore and dealings in the Company's shares were, accordingly, suspended pending the publication of a prospectus in relation to this transaction. Our announcement referred to the possibility of a short-term loan being provided by the Company to this business. However, to date, no loan has been made by the Company.

As part of the work on this transaction, it was decided to change the Company's accounting date to 31 December and accordingly the results for the period from 5 June 2015 to 31 December 2015, as previously announced as unaudited interims, have now been audited and are herein presented as audited financial statements.

Due to the complexities of the business being acquired, the work on preparing a prospectus has taken longer than originally anticipated and whilst this is being finalised, the Board would like to emphasise that it is managing its cash position in a prudent manner.

We look forward to updating shareholders on progress on this transaction shortly.

Kurt Portmann
Chairman

27 September 2016

Strategic Report

Strategy, objectives and business model

The Company has been formed to undertake a single acquisition of a target company or business in the oil and gas sector. There is no specific expected target value for an acquisition, although it is likely that the Company will be targeting an acquisition in the range of £1m to £5m.

Following Admission, the Company continued to make progress in the identification and review of acquisition targets in the oil and gas sector. However, as announced in February 2016, the Company had been approached by a number of parties with opportunities outside that of the energy sector who had expressed interest in working with Senterra to facilitate a public listing. The Directors believed that there were some potentially attractive businesses and technologies amongst these proposals and accordingly on 29 July 2016 obtained Shareholders' approval to evaluate opportunities outside of the oil and gas sector and to incur costs associated with such pursuit.

In the meantime, on 23 May 2016, the Company announced that it had signed a non-binding letter of intent to acquire a SIM-card technology business based in Singapore and dealings in the Company's shares were accordingly suspended pending the publication of a prospectus in relation to this transaction, work on which is ongoing.

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

Fair review of the business

After successfully listing on the London Stock Exchange's main market on 10 November 2015, the share capital of the Company increased to 27 million shares with the issue of 25 million shares at 5p each raising gross proceeds of £1,250,000.

The Company's cash resources are sufficient for general corporate purposes and pre-acquisition activities such as the Company's on-going costs and expenses including Directors' fees and salaries, due diligence costs and other costs of sourcing, reviewing and pursuing acquisitions.

The Company continues to keep administrative costs to a minimum so that the majority of funds can be dedicated to the review of and potentially investment in, suitable projects.

Principal risks and uncertainties

The Directors have identified the following as the key risks facing the business:

- The Oil and Gas sector – exploration, development and production

The estimating of reserves and resources is a subjective process and there is significant uncertainty in any reserve or resource estimate. In addition, the exploration for and production of oil and other natural resources is speculative and involves a high degree of risk, in particular a company's operations may be disrupted by a variety of tasks and hazards which are beyond its control such as environmental regulation, governmental regulations or delays, increase in costs and the availability of equipment or services, and the volatility of oil and gas prices.

Strategic Report (continued)

-The Company's relationships with the Directors

The Company is dependent on the Directors to identify potential acquisition opportunities and to execute an acquisition, and the loss of the services of the Directors could materially affect it.

-Business Strategy

The Company is an entity with no operating history. The Company may be unable to complete an acquisition or to fund the operations of a target business if it does not obtain additional funding.

This report was approved by the Board of Directors on 27 September 2016 and signed on its behalf by:

…………………………………………
Jeremy King
Director

Directors' Report

The Directors present their Annual Report together with the financial statements of the Company for the period ended 31 December 2015.

An indication of the likely future developments in the business of the Company are included in the Strategic Report.

Results and dividends

The results for the period are set out in the Statement of Comprehensive Income on page 14. The Directors do not recommend the payment of a dividend on the ordinary shares.

Financial instruments and risk management

An explanation of the Company's financial risk management objectives, policies and strategies and information about the use of financial instruments by the Company is given in note 12 to the financial statements.

Key events

On 10 November 2015, the Company was successfully admitted to Standard Listing on the Official List and to trading on the London Stock Exchange's main market for listed securities.

As noted in the Strategic Report, on 23 May 2016, the Company announced that it had signed a non-binding letter of intent to acquire a SIM-card technology business based in Singapore and dealings in the Company's shares were, accordingly, suspended pending the publication of a prospectus in relation to this transaction, work on which is ongoing.

Capital structure

Details of the issued share capital, together with details of the movements in the Company's issued share capital during the period, are shown in note 9 to the financial statements. The Company has one class of ordinary shares which carry no right to fixed income. Each ordinary share carries the right to one vote at general meetings of the Company. The Deferred Shares carry an entitlement to a non-cumulative annual dividend at a fixed rate of 0.1% of their nominal value, with no further right to participate in the profits or assets of the Company, and carry no voting rights. The Deferred Shares may all be redeemed by the Company for an aggregate redemption payment of £1.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the company's share capital and all issued shares are fully paid.

With regard to the appointment and replacement of directors, the company is governed by its Articles of Association, the Companies Act 2006 and related legislation. The Articles themselves may be amended by special resolution of the shareholders.

Directors' Report (continued)

Directors

The Directors of the Company during the period were as follows:

Alberto Cattaruzza	(appointed 28 July 2015)
Jeremy King	(appointed 5 June 2015)
Kurt Portmann	(appointed 28 July 2015)

Directors' interests

As at 31 December 2015, the beneficial interests of the Directors and their connected persons in the ordinary share capital of the Company was as follows:

Director	Number of Ordinary Shares	% of Ordinary Share Capital
Kurt Portmann	500,000	1.85%

Substantial shareholders

The following had interests of 3 per cent or more in the Company's issued share capital as at 31 December 2015.

Party Name	Number of Ordinary Shares	% of Share Capital and Voting Rights
Optiva Securities Limited	2,060,000	7.63%
Sebastian Marr	2,000,000	7.41%
Portmann Capital Management Limited	1,000,000	3.70%
Peel Hunt Holdings Limited	1,004,790	3.72%
Momentous Trading Limited	977,300	3.62%

During the period between 31 December 2015 and 26 September 2016, the Company has been notified of the following voting rights as a shareholder of the Company:

Party Name	Number of Ordinary Shares	% of Share Capital and Voting Rights
Phil Terry	860,000	3.18%

Directors' Report (continued)

Capital and returns management

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

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

Dividend policy

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

Corporate governance

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

- The Company's Board of Directors comprises three non-executive Directors. The Board is knowledgeable and experienced and has extensive experience of making acquisitions.
- Consistent with the rules applicable to companies with a Standard Listing, unless required by law or other regulatory process, shareholder approval is not required in order for the Company to complete an acquisition. The Company will, however, be required to obtain the approval of the Board of Directors, before it may complete an acquisition.
- The Board is not subject to the provisions of a formal governance code and given its present size do not intend to formally adopt any specific code, but will apply governance the Directors consider to be appropriate, having due regard to the principles of governance set out in the UK Corporate Governance Code.
- Until an acquisition is made, the Company will not have separate audit and risk, nominations or remuneration committees. The Board as a whole will instead review audit and risk matters, as well as the Board's size, structure and composition and the scale and structure of the Directors' fees, taking into account the interests of shareholders and the performance of the Company, and will take responsibility for the appointment of auditors and payment of their audit fee, monitor and review the integrity of the Company's financial statements and take responsibility for any formal announcements on the Company's financial performance.
- The Corporate Governance Code recommends the submission of all directors for re-election at annual intervals. None of the Directors will be required to retire by rotation and be submitted for re-election until the first annual general meeting of the Company following an acquisition.

Directors' Report (continued)

- Following an acquisition, the Company may seek to transfer from a Standard Listing to either a Premium Listing or other appropriate listing venue, based on the track record of the Company or business it acquires, subject to fulfilling the relevant eligibility criteria at the time. If the Company is successful in obtaining a Premium Listing, further rules will apply to the Company under the Listing Rules and Disclosure and Transparency Rules and the Company will be obliged to comply with the Model Code and to comply or explain any derogation from the UK Corporate Governance Code.

Statement as to Disclosure of Information to Auditors

The Directors confirm that:

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

Auditors

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

By order of the Board:

……………………………….
Jeremy King
Director

27 September 2016

Statement of Directors' Responsibilities

The Directors, whose names and functions appear on page 2, are responsible for preparing the annual report and the financial statements. The Directors are required to prepare financial statements for the Company in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

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

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

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

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

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

Statement of Directors' Responsibilities (continued)

This responsibility statement was approved by the Board of Directors on 27 September 2016 and is signed on its behalf by:

…………………………………………
Jeremy King
Director

Independent Auditor's Report to the Members of Senterra Energy plc

We have audited the financial statements of Senterra Energy plc for the period ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

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

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities on pages 10 to 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2015 and the Company's loss for the period then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2006.

Independent Auditor's Report to the Members of Senterra Energy plc (continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Company, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Leo Malkin
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor

St Bride's House
10 Salisbury Square
London
EC4Y 8EH

27 September 2016

Statement of Comprehensive Income
for the period from 5 June 2015 to 31 December 2015

	Note	**2015** **£**
Continuing operations		
Listing expenses		(128,347)
Administrative expenses		(23,563)
Operating loss		(151,910)
Interest payable and similar charges		-
Loss before taxation	4	(151,910)
Taxation	5	-
Loss for the year		(151,910)
Other comprehensive loss for the year		-
Total comprehensive loss for the year attributable to the equity owners		(151,910)
Earnings/(loss) per share		
Basic and diluted (£ per share)	6	(0.02)

The notes to the financial statements form an integral part of these financial statements.

Statement of Financial Position
as at 31 December 2015

	Note	2015 £
Assets		
Current assets		
Other receivables	7	1,109,294
Total current assets		1,109,294
Total assets		1,109,294
Equity and liabilities		
Capital and reserves		
Share capital	9	270,000
Share premium		945,501
Retained earnings		(151,910)
Total equity		1,063,591
Liabilities		
Current liabilities		
Other payables	8	15,703
Deferred shares	10	30,000
Total liabilities		45,703
Total equity and liabilities		1,109,294

The notes to the financial statements form an integral part of these financial statements.

This report was approved by the board and authorised for issue on 27 September 2016 and signed on its behalf by:

………………………………
Jeremy King
Director

Registered number: 09624969

Statement of Changes in Equity
for the period from 5 June 2015 to 31 December 2015

	Share capital	Share premium	Retained earnings	Total
	£	£	£	£
Comprehensive income for the period				
Loss during the period	-	-	(151,910)	(151,910)
Total comprehensive loss for the period			(151,910)	(151,910)
Transactions with owners				
Shares issued on incorporation	1	-	-	1
Issue of new shares	269,999	1,000,000	-	1,269,999
Share issue costs	-	(54,499)	-	(54,499)
As at 31 December 2015	270,000	945,501	(151,910)	1,063,591

The notes to the financial statements form an integral part of these financial statements.

Statement of Cash Flows
for the period from 5 June 2015 to 31 December 2015

	Note	2015 £
Cash flow from operating activities		
Operating loss		(151,910)
Changes in working capital		
(Increase) in trade and other receivables		(1,109,294)
Increase in trade and other payables		15,703
Net cash used in operating activities		(1,245,501)
Cash flows from financing activities		
Proceeds from issuance of shares, net of issue costs		1,245,501
Net cash generated from financing activities		1,245,501
Increase in cash and cash equivalents		-
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period		-

The notes to the financial statements form an integral part of these financial statements.

Notes to the Financial Statements

1. General Information

The Company was incorporated in the United Kingdom under the Companies Act 2006 on 5 June 2015 and had not commenced substantive operations during the period under review. The address of the registered office of the Company is given on page 1. The Company has been formed to take control of or invest in businesses within the oil and gas sector.

2. Summary of Significant Accounting Policies

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

a) Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use by the European Union, and effective, or issued and early adopted, as at the date of these statements. The financial statements have been prepared under the historical cost convention as modified for financial assets carried at fair value.

b) Standards and interpretations issued but not yet applied

At the date of authorisation of this financial information, the directors have reviewed the Standards in issue by the International Accounting Standards Board ("IASB") and IFRIC, which are effective for annual accounting periods ending on or after the stated effective date. In their view, none of these standards would have a material impact on the financial reporting of the Company.

c) Comparative figures

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

d) Going concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue to be able to meet its liabilities as they fall due for the foreseeable future. The Company meets its day to day working capital requirements through existing cash reserves. The Directors have prepared projected cash flow information for a period of at least twelve months from the date of their approval of the financial statements. On the basis of this cash flow information, the Directors consider that the company will continue to operate without the need for additional financing. Therefore, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

Notes to the Financial Statements (continued)

e) Cash and cash equivalents

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

f) Taxation

The tax currently payable is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided for using the liability method on temporary timing differences at the balance sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised in full for all temporary differences. Deferred income tax assets are recognised for all deductible temporary differences carried forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, and carry-forward of unused tax credits and unused losses can be utilised. The carrying amount of deferred income tax assets is assessed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that is probable that future taxable profits will allow the deferred income tax asset to be recovered.

g) Financial assets

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

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

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

As at the balance sheet date, the company did not have any financial assets at fair value through profit or loss, nor in the categories of held-to-maturity investments and available-for-sale financial assets.

Notes to the Financial Statements (continued)

h) Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Incremental cost directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

Financial liabilities

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

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

Other financial liabilities

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

i) Derecognition of financial liabilities

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

j) Segmental Reporting

The Directors are of the opinion that the business comprises of a single economic activity, that of an investment company.

Therefore the financial information of the single segment is the same as that set out in the company statement of comprehensive income, company statement of financial position, the company statement of changes to equity and the company statement of cashflows.

Notes to the Financial Statements (continued)

k) Financial Risk Management Objectives and Policies

The Company does not enter into any forward exchange rate contracts.

The main financial risks arising from the Company's activities are cash flow interest rate risk, liquidity risk, price risk (fair value) and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised as:

Cash Flow Interest Rate Risk – the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's custodian accounts with the counterparty.

The Company's policy is to manage its interest income, when received, using a mixture of fixed and floating rate deposit accounts.

Liquidity Risk – the Company raises funds as required on the basis of budgeted expenditure and inflows. When funds are sought, the Company balances the costs and benefits of equity and debt financing. When funds are received they are deposited with banks of high standing in order to obtain market interest rates.

Price Risk – the carrying amount of the following financial assets and liabilities approximate to their fair value due to their short term nature: cash accounts, accounts receivable and accounts payable.

Credit Risk – with respect to credit risk arising from other financial assets of the Company, which comprise other receivables, the Company's exposure to credit risk arises from default of the counterparty, with a minimum exposure equal to the carrying amount of these instruments. The maximum exposure to credit risk for receivables and other financial assets are represented by their carrying amount.

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements

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

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

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

4. Loss before income tax

The loss before income tax is stated after charging:

	2015
	£
Directors emoluments	6,000
Fees payable to the company's auditors	
- Audit of the company's annual accounts	9,500

5. Income tax

Corporation tax is calculated at 20% of the estimated taxable profit for the period.

The charge for the period can be reconciled to the loss in the Statement of Comprehensive Income as follows:

	2015
	£
Loss before tax on continuing operations	(151,910)
Tax at the UK corporation tax rate of 20%	(30,382)
Tax effect of expenses that are not deductible in determining taxable profit	25,669
Change in unrecognised deferred tax assets	4,713
Tax charge for the period	-

The Company has accumulated trading losses of £24,000. No deferred tax asset was recognised in respect to these accumulated tax losses as there is insufficient evidence that the amount will be recovered in future years.

Notes to the Financial Statements (continued)

6. Loss per share

The calculation of loss per share is based on the following loss and number of shares:

Loss for the period from continuing operations	£151,910
Weighted average shares in issue	6,961,905
Loss per share	£0.02

Basic loss per share is calculated by dividing the loss for the period from continuing operations of the company by the weighted average number of ordinary shares in issue during the period.

There are no potential dilutive shares in issue.

7. Other receivables

Current:	**2015** **£**
Other receivables	1,106,129
Prepayments	3,165
	1,109,294

Other receivables represent the net proceeds received from the public placement, which were deposited at the custodian accounts of the Company's advisors. Subsequent to the year end, these funds were deposited in the Company's bank accounts.

8. Other payables

Current:	**2015** **£**
Accruals	15,703

Notes to the Financial Statements (continued)

9. Share capital and share premium

Issued and fully paid:	Number of shares	Share capital £	Share premium £
On incorporation	1	1	-
Issue of ordinary shares – 12 October 2015	19,999	19,999	-
Subdivision of ordinary shares – 12 October 2015	1,980,000	-	-
Issue of ordinary shares – 10 November 2015	25,000,000	250,000	1,000,000
Share issue costs	-	-	(54,499)
	27,000,000	270,000	945,501

On the incorporation date, the Company issued and allotted 1 Ordinary Shares of £1 to the Founder.

On 12 October 2015, the Company issued and allotted an additional 19,999 Ordinary Shares of £1 for £19,999 to the Founder. Subsequently, the Company subdivided each Ordinary Share of £1 into 100 Ordinary Shares of £0.01 each.

On 10 November 2015, the Company's shares had been admitted to trading on Main Market of the London Stock Exchange. The Company has further issued 25 million ordinary shares of par value £0.01 each at £0.05 per share from the public placement for a total consideration of £1,250,000, before issue costs.

At 31 December 2015, the total issued ordinary shares of the Company were 27 million Ordinary Shares of £0.01 each.

10. Deferred shares

On 12 October 2015, the Company issued 30,000 Deferred Shares of £1 for £30,000 to the Founder, which have an entitlement to a non-cumulative annual dividend at a fixed rate of 0.1 per cent of their nominal value. The Deferred Shares have no voting rights attached to them, and may be redeemed in their entirety by the Company for an aggregate redemption payment of £1.

The directors are of the opinion that the estimated fair value of these compound financial instrument to be immaterial, hence no equity element was recognised.

Notes to the Financial Statements (continued)

11. Directors emoluments

Details regarding Directors' remuneration can be found below. The Directors are considered to be the key management.

Name of Director	Remuneration detail	£
Kurt Portmann	Fee	2,000
Jeremy King	Fee	2,000
Alberto Cattaruzza	Fee	2,000

During the period to 31 December 2015 there were no staff costs as no staff were employed by the company, other than the Directors themselves.

12. Financial instruments

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

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

	£
Financial assets	
Loan and receivables	
Other receivables	1,106,129
Financial liabilities measured at amortised costs	
Deferred shares	30,000

a) Financial risk

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

b) Liquidity risk

The Company regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations. The Company takes liquidity risk into consideration when deciding its sources of funds.

Notes to the Financial Statements (continued)

12. Financial instruments (continued)

c) Credit risk

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

d) Capital risk management

The Company defines capital as the total equity of the Company. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

e) 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.

13. Related party transactions

Key management are considered to be the Directors and key management personnel compensation has been declared in note 11.

During the period, the Company did not enter into any material transactions with other related parties.