UAE Oil Services Plc

Annual Report & Accounts
for the period 3 January to 31 December 2018

Contents

Company information

Directors	Stephen Smedley *(Chief Finance Officer)* Nils Trulsvik *(Executive Chairman)*
Company Secretary and the registered office	ILS Fiduciaries (IOM) Limited First Floor, Millennium House Victoria Road Douglas Isle of Man IM2 4RW
Registered Number	015691V
Broker	WH Ireland Limited 24 Martin Lane London EC4R 0DR
Auditors	Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
Legal advisers	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Principal Bankers	Index & Cie Limited Level 10, #1012 Index Tower DIFC Dubai United Arab Emirates
Registrars	Computershare Investor Services (Jersey) Limited Queensway House Hilgrove Street St Helier Jersey JE1 1ES

Chairman's Statement

On behalf of the Board of directors, it is my privilege to present the financial statements of UAE Oil Services Plc (the "Company" or "UAE Oil") for the period 3 January to 31 December 2018.

During the financial period, the Company reported a net loss of £779,732 (0.77.9p per share). The majority of this loss can be attributed to legal and professional fees. As at 31 December 2018, the Company had cash balance of £346,486.

The Company was incorporated on 3 January 2018 with the intention of making acquisitions in the oil and gas support services and infrastructure sector in the Middle East and North Africa, with an initial focus on the United Arab Emirates.

During the financial period, the Company was admitted to the official list by way of standard listing to trade on the London Stock Exchange.

On 17 August 2018, the Company announced a potential acquisition of the OBN Group and as a result suspended trading in its shares. As of 31 December 2018, the acquisition had not yet taken place but it is the intention of the board to complete this as soon as possible.

I look forward to the year ahead with gratitude to our shareholders, for their continued support.

Nils Trulsvik
Chairman

28 May 2019

Operational and Financial Review

During the financial period, the operational activities of the Company were to source suitable opportunities and, once opportunities have been identified, to carry out due diligence on the target companies following advice from its professional advisors.

The Directors believe there is sufficient financial resources in order to complete the acquisition of OBN Group. However, other opportunities will be considered if they meet the strategic objectives of the Company.

Financial risk management objectives and policies

The Company does not at present enter into any forward exchange rate contracts or any other hedging arrangements. The main financial risks arising from the Company's activities are exchange rate risks, 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:

Exchange rate risks – the Company is exposed to the risk of changes in exchange rates as it conducts international business transactions in foreign currencies, mainly in US Dollars and United Arab Emirate Dirhams. The company's exposure is reduced by holding foreign currency within its bank account to pay creditors in the same currency.

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 are 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 cash and time deposits and accounts receivable, 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 credit risk on cash is limited as cash is placed with substantial financial institutions.

Directors Report

The Directors present their Report with the financial statements of the Company for the period ended 31 December 2018.

Results and dividends

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

Company objective

The Company's primary objective is that of securing the best possible value for the shareholders, consistent with achieving both capital growth and income for shareholders. The Company intends to seek to acquire market leading business though the acquisition or one or more companies or business in the MENA region operating within the oil and gas support services and infrastructure sector.

The Company's business risks are predominately relating to liquidity as the Company has incurred significant legal and professional costs to date and has no income generating activities. There is therefore a risk that there will be insufficient funds in the future to continue as a going concern in the event new equity could not be raised.

An explanation of the Company's financial risk management objectives, policies and strategies is set out in the Operating and Financial Review.

Key events

April 2018 – Admission to the London Stock Exchange Main Market
August 2018 – Appointment of WH Ireland as financial advisors and brokers
August 2018 – Announcement of potential acquisition of OBN Group and suspension of shares

Directors

The Directors who served the Company during the year and their beneficial interest in the Ordinary Shares of the Company at 31 December 2018 were as follows:

Party Name	Number of Ordinary Shares	% of Share Capital
Stephen Smedley	-	-
Nils Trulsvik	-	-

Directors Report (continued)

Substantial shareholders

The Company has been notified of the following interests of 3 % or more in its issued share capital as at 31 December 2018.

Party Name	Number of Ordinary Shares	% of Share Capital
Khalifa Hasan Ali Saleh Al Hammadi	350,000	35.0
Amna Hasan Ali Saleh Al Hammadi	350,000	35.0

Capital and returns management

The investment size for acquisition will be dependent on the strategic benefits, with each opportunity being evaluated on a case-by-case basis. 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 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 Directors recognise the importance of dividends to investors and, as the Company's business matures, will keep under review the desirability of paying dividends. Future income generated by the Company is likely to be re-invested in the Company to implement its strategy. In view of this, it is unlikely that the Board will recommend a dividend in the early years following Admission. There are no fixed dates for dividend payments by the Company and no dividends have been paid to date, although should the Company be in a position to declare a dividend in the future it will consider this at that time.

Going concern

At 31 December 2018, the Company had cash of £346,486, which the Directors believe will be sufficient to pay on going expenses and pre-acquisition activities and to meet its liabilities as they fall due for a period of at least 12 months from the date of approval the financial statements. The financial statements have been prepared on a going concern basis.

Directors Report (continued)

Corporate governance

The Company recognises the importance of good governance in supporting growth and shareholder value.

The Board is therefore committed to maintaining the highest standards of corporate governance commensurate with the size and stage of development of the Company.

Board Committees

The Board may from time to time establish committees to streamline the discharge of its responsibilities. The Board has established an Audit and Risk Committee and a Remuneration Committee. Other committees may be established by the Board as and when required.

Audit and Risk Committee

The UK Corporate Governance Code recommends that an audit committee should comprise at least three members, or in the case of smaller companies (which are below the FTSE 350 index) two members, who are independent non-executive directors and that at least one member should have recent and relevant financial experience.

The members of the Audit and Risk Committee are [Stephen Smedley] (Chair) and [Nils Trulsvik]. The Audit and Risk Committee will meet at least three times a year. The Audit and Risk Committee's responsibilities include:

- overseeing the Company's relationship with the external auditor and the external audit function generally;
- overseeing the Company's relationship with the internal auditor and the internal audit function generally;
- overseeing the preparation of the financial statements and reports;
- overseeing the Company's financial controls and systems; and
- managing the process of identification and management of risk.

Non-committee members, including members of management and the external auditor, may attend all or part of a meeting of the committee at the invitation of the committee chair.

From the date of Admission, the Audit and Risk Committee chairman will be available at annual general meetings of the Company to respond to questions from Shareholders on the activities of the Audit and Risk Committee.

The Audit and Risk Committee has taken appropriate steps to ensure that the Company's Auditors are independent of the Company.

Remuneration and Nominations Committee

The Remuneration and Nomination Committee assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It recommends what policy the Company should adopt on executive remuneration, determines the levels of remuneration for executive directors and recommends and monitors the remuneration of members of senior management,

Directors Report (continued)

save that no director or senior manager shall be involved in any decisions as to their own remuneration. The Board, or where required by the Articles, the Shareholders should determine the remuneration of Non-Executive Directors. The Remuneration Committee will also be responsible for generating the annual remuneration report to be approved by the Shareholders of the Company at its annual general meeting. The Remuneration Committee will normally meet at least twice a year and otherwise as required.

The members of the Remuneration Committee are [Nils Trulsvik (Chair)] and [Stephen Smedley]. The UK Corporate Governance Code recommends that all members of a remuneration committee should be independent non-executive directors in compliance with the UK Corporate Governance Code.

Share dealing policy

The Company has adopted a securities dealing policy for the Board and certain employees in accordance with the provisions of MAR, and the Company will take all reasonable steps to ensure compliance by the Board with such code.

The Share Dealing Policy is intended to explain the types of conduct in relation to dealings in securities that are prohibited by law and establish procedures for the buying and selling of securities that protect the Company, Directors and employees against the misuse of unpublished information, which could materially affect the price or value of the Company's securities.

The Policy provides that Directors, employees and their connected persons must not:

- deal in the Company's securities when they are aware of 'inside' information;
- deal in the Company's securities on a short-term trading basis (except in exceptional circumstances with approval); or
- hedge unvested equity remuneration or vested equity subject to holding locks.

In addition, Directors, certain restricted employees and their connected persons must not deal in the Company's securities during close periods, being either (i) the period of thirty (30) calendar days immediately preceding the announcement of the Company's interim financial report and its year-end report (or, if earlier, the preliminary results, where the preliminary results announcement contains all inside information expected to be included in the Company's year-end report); or (ii) the period when they possess any inside information.

Anti-Corruption and Bribery Policy

The Company has adopted a formal Anti-Corruption and Bribery Policy which complies with the UK Bribery Act 2010 and which applies to all staff, consultants and contractors that work with the Company across its operations. The policy seeks to ensure that the Company operates in an ethical and transparent manner in all business dealings and that the Company has a mechanism for staff to alert management should any issues or incidents occur. The Company will continue to review its anti-corruption procedures to ensure that they are sufficiently robust to prevent corruption and to mitigate the risk of the Company committing an offence under applicable bribery legislation.

Directors Report (continued)

Market Abuse Regulations

The Company will be subject to the provisions of MAR. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the MAR by the Directors and persons discharging managerial responsibilities. The FCA is the competent authority for MAR and has powers to intervene as competent authority and will be responsible for the investigations and enforcement of breaches of MAR.

The Board as a whole will following Re-Admission continue to review its size, structure and composition, the scale and structure of the Directors' fees (taking into account the interests of Shareholders and the performance of the Company), take responsibility for the appointment of auditors and payment of their audit fee, monitor and review the integrity of the Company's financial statements and take responsibility for any formal announcements on the Company's financial performance.

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires financial statements to be prepared for each financial year in accordance with one of the prescribed generally accepted accounting principles. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs') as adopted by the EU and applicable law.

The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Properly select and apply accounting policies;

- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;

- 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 entity's financial position and financial performance; and

- Make an assessment of the Company's ability to continue as a going concern.

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

The maintenance and integrity of the Company's website is the responsibility of the Directors; the 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.

Directors Report (continued)

Legislation in Isle of Man or 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 (whose names and functions are set out on page 4) confirm, to the best of their knowledge that:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the management report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

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 U.K. LLP, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Subsequent events

There were no subsequent events.

This responsibility statement was approved by the Board of Directors on 28 May 2019 and is signed on its behalf by;

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Nils Trulsvik
Director

28 May 2019

Independent Auditor's Report to the Members of UAE Oil Services Plc.

Opinion

We have audited the financial statements of UAE Oil Services Plc (the "Company") for the period ended 31 December 2018, which comprise:

- the statement of comprehensive income for the period ended 31 December 2018;
- the statements of financial position as at 31 December 2018;
- the statements of cash flows and statements of changes in equity for the period then ended; and
- notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of the Company's loss for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union as applicable to an Isle of Man Company; and
- have been prepared in accordance with the requirements of the Isle of Man Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Company financial statements as a whole to be £7,000 based on approximately 3% of the Company's net assets at the year end.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £350 Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

We performed a fully scope audit on the Company. The Company's accounting records are administered from one central location, the Company's registered office and our audit was conducted on these records.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. We have determined that there are no key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with the terms of our engagement letter. 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.

John Glasby (Senior Statutory Auditor)

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

28 May 2019

Statement of Comprehensive Income
for period ended 31 December 2018

	Note	Period ended 31 December 2018
		£
Directors' remuneration		(52,800)
Administrative expenses		(59,428)
Legal and professional fees		(667,504)
Operating loss		(779,732)
Interest payable and similar charges		-
Loss before taxation	4	(779,732)
Taxation	5	-
Loss for the period		(779,732)
Other comprehensive loss for the period		-
Total comprehensive loss for the period attributable to the equity owners		(779,732)
Loss per share		
Basic and diluted (pence per share)	6	**(1.1)**

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

Statement of Financial Position
as at 31 December 2018

	Note	As at 31 December 2018
Assets		£
Current assets		
Cash and cash equivalents	7	346,486
Total current assets		**346,486**
Total assets		**346,486**
Equity and liabilities		
Capital and reserves		
Share capital	8	1,000,000
Accumulated losses		(779,732)
Total equity		**220,268**
Liabilities		
Current liabilities		
Other payables	9	126,218
Total liabilities		**126,218**
Total equity and liabilities		**346,486**

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 28 May 2019 and signed on its behalf by;

....

Stephen Smedley
Director

28 May 2019

Statement of Changes in Equity

For the period ended 31 December 2018

	Share capital	Accumulated losses	Total
	£	£	£
Shares issued on incorporation	100	-	100
Loss for the period	-	(779,732)	(779,732)
Total comprehensive loss for the period	-	(779,732)	(779,632)
Issue of ordinary shares	999,900	-	999,900
As at 31 December 2018	**1,000,000**	**(779,732)**	**220,268**

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

Statement of Cash Flows
for the period ended 31 December 2018

	Note	Year ended 31 December 2018
		£
Cash flow from operating activities		
Operating loss		(779,732)
Changes in working capital		
Increase in trade and other payables		126,218
Net cash used in operating activities		**(653,514)**
Cash flows from financing activities		
Proceeds from issuance of shares net of issue costs		1,000,000
Net cash generated from financing activities		1,000,000
Increase in cash and cash equivalents		**346,786**
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period		**346,786**

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

Notes to the financial statements (continued)

1. General information

UAE Oil Services Limited (the "Company") was incorporated in the Isle of Man on 3 January 2018 and had not commenced substantive operations during the period under review. The registered office is First Floor, Millennium House, Victoria Road, Douglas, Isle of Man, IM2 4RW. The Company has been formed to develop a market-leading business through acquisitions of one or more companies or businesses in the MENA region in the oil and gas support services and infrastructure sector.

On 27 February 2018, the Company changed its name to UAE Oil Services Plc. On 25 April 2018, the Company's Ordinary shares are admitted to a standard listing on the Official List and to trading on the London Stock Exchange.

The financial information of the Company is presented in British Pound Sterling ("£").

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.

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Company. The Directors anticipate that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning on or after the effective date of the pronouncement.

The Company has not early adopted amended standards and interpretations which are currently in issue but not effective for accounting periods commencing on 1 January 2018 as adopted by the EU. The Directors do not anticipate that the adoption of standards and interpretations will have a material impact on the Company's financial statements in the periods of initial application.

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.

Notes to the financial statements (continued)

2. Summary of significant accounting policies (continued)

c) Going concern

The Company had cash of £346,486 and old creditors of £126,218 at the balance sheet date. At 31 March 2019, the Company's cash balance has reduced to approximately £135,000.

The Company has no employee, no debt and minimal running costs. The net cash reserve are therefore sufficient to keep the Company operating for more than 12 months from the date of approval of these financial statements. Costs of the due diligence and acquisition are assessed on a project by project basis and, should the project be taken forward, appropriate funding will be arranged sufficient to execute the transaction and to provide working capital for the enlarged group on completion. Although the Company will require new funding in order to successfully execute an acquisition, in the absence of specific commitments, the going concern basis is appropriate for the preparation of the Company's financial statements.

d) Cash and cash equivalents

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

e) 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 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.

Notes to the financial statements (continued)

2. Summary of significant accounting policies (continued)

f) Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

As at the balance sheet date, the Company did not have any financial assets subsequently measured at fair value.

g) 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.

h) Derecognition of financial liabilities

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

i) 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 to 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 Cash flows.

3. Critical accounting estimates and judgements

The Company's nature of operations is to act as a special purpose acquisition company. Therefore, in the opinion of the Directors, there are no significant estimates or judgements required in order to prepare the financial statements at this time.

Notes to the financial statements (continued)

4. Loss before income tax

The loss before income tax is stated after charging:

	2018
	£
Director emoluments	52,800
Fees payable to the Company's auditors	
- Audit of the Company's financial statements	12,000
- In relation to listing and corporate finance services	85,894
Travelling Expenses	25,556

5. Income tax

Any profit or loss of this Company would be charged at the Isle of Man standard rate of 0% for 2018. Therefore, no provision has been made for taxation or deferred tax for 2018.

6. Loss per share

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

	2018
Loss for the year from continuing operations (£)	779,732
Weighted average shares in issue (unit)	697,000
Loss per share	1.10

Basic loss per share is calculated by dividing the loss for the year from continuing operations of the Company by the weighted average number of Ordinary Shares in issue during the year.

There are no potential dilutive shares in issue therefore the diluted loss per share has not been calculated.

7. Cash and cash equivalents

	2018
	£
Bank accounts	346,486

Notes to the financial statements (continued)

8. Share capital

Summary of share capital and movements during the year

	Number of Ordinary Shares	£
As at inception date (£1 shares at par)	**100**	**100**
£1 shares issued at par	999,900	999,900
As at 31 December 2018	**1,000,000**	**1,000,000**

On 25 April 2018, the Company issued 999,900 new ordinary shares at a price of £1.00 per share raising gross cash proceeds of £999,900 before expenses.

9. Other payables

	2018
Current:	£
Other creditors	112,538
Accruals	13,680
	126,218

10. Directors' emoluments

The details concerning Directors' emoluments are as follow:

	2018
Name of Director	£
Stephen Smedley	28,800
Nils Trulsvik	24,000

There are no other employment benefits offered to the Directors.

The Directors are considered to be the key management.

Notes to the financial statements (continued)

11. Financial instruments

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

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

	2018
	£
Cash and cash equivalents	346,486
Financial liabilities measured at amortised cost	126,218

a) 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 part of their going concern assessment (see note 2c).

b) Credit risk

The Company's credit risk is primarily attributable to deposits with bank. The Group manages its deposits with bank or financial institution by monitoring credit ratings and limiting the aggregate risk to any individual counterparty. The Company has taken necessary steps and precautions in minimising the credit risk by lodging cash and cash equivalents only with licensed financial institution.

c) 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.

d) 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.

Notes to the financial statements (continued)

12. Staff costs

During year ended 31 December 2018, there were no staff costs, as the Company, other than the Director's fees as disclosed in note 10, employed no staff.

13. Related party:

During the period, Redwood Accountancy Ltd provided accountancy services to the company for the sum of £1,680, this was outstanding at the balance sheet date and is included within current liabilities. Stephen Smedley, is a director of Redwood Accountancy Ltd.