Silver Falcon Plc

Annual Report & Financial statements for the period ended 31 December 2016

Contents

Company information

Directors
Geoffrey Dart *(Executive Chairman)*
Peter Redmond *(Non-Executive Director)*
Adrian Beeston *(Non-Executive Director)*

Company Secretary
Timothy Le Druillenec FCMA

Registered Office
5 Fleet Place
London EC4M 7RD

Registered Number
8401609 (England and Wales)

Broker
Optiva Securities Limited
2, Mill Street
London
W1S 2AT

Financial Adviser
Peterhouse Corporate Finance
15, Eldon Street
London
EC2M 7LD

Independent Auditor
PKF Littlejohn LLP
Statutory Auditor
1 Westferry Circus
Canary Wharf
London E14 4HD

Solicitors
Charles Russell Speechlys LLP
5 Fleet Place
London EC4M 7RD

Principal Bankers
Metro Bank plc
One Southampton Row
London WC1B 5HA

Registrars
Computershare Investor Services PLC
The Pavillions
Bridgewater Road
Bristol
BS13 8AE

Chairman's Statement

I hereby present the annual accounts for the year ended 31st December 2016. During the year the Company reported a loss of £519,898 (31 December 2015 – loss of £80,367) which arose predominantly from professional fees in connection with the due diligence and legal documentation relating to potential transactions, in particular with the current transaction under review. As at the date of this report the Company has approximately £1m of cash balances.

Following its listing on the London Stock Exchange on 9th November 2015, the Company has focused on the evaluation of various acquisition opportunities. To that end, it announced on 30th December 2015 that it had entered into a non-binding Memorandum of Understanding with the board and principal shareholder in Lime Holdings Limited ("Lime") regarding a possible acquisition of 100% of the share capital of Lime by way of a share for share exchange. On 30th September 2016 the Company announced that it was no longer proceeding with that transaction following detailed due diligence.

As at the year ended 31 December 2016, the Company was in talks with another potential business with an eventual acquisition expected to finalise before the end of the second quarter 2017. As at the date of this report, this is still the case and the transaction is at an advanced stage and whilst no binding agreement has yet been entered into the directors are optimistic of a successful outcome.

I would like to thank all those who have assisted in relation to the possible acquisitions reviewed and remain hopeful of a successful outcome.

…………………………..
Geoffrey Dart
Executive Chairman

24 April 2017

Board of Directors and Senior Management

Geoffrey Gilbert Dart Executive Chairman

Geoffrey Dart is a merchant banker with over 35 years of experience of fund raising and listing transactions. In 1990 he was appointed to the board of Harrell Hospitality Inc, a hotel management and development Company, after he structured and completed its reverse takeover by a US-listed shell Company. In 2003, as chairman of Energy Technique Plc (a Main Market Company) Geoffrey oversaw the re-structuring and re-capitalisation of the Company. Also in 2003, as a founder and an executive director of London and Boston Investments Plc (an AIM-listed Company), Geoffrey was responsible for M&A activity for the Company. In 2010, Geoffrey joined the board of Hayward Tyler Limited, the specialist pump manufacturer and after raising equity and debt funding, completed the Main Market listing of the Company and thereafter took on particular responsibility for the group's Chinese operations and completed a successful re-structuring of those operations. He is Chairman of Dukemount Capital Plc, a company trading on the Main Market of the London Stock Exchange.

Peter Redmond Non- Executive Director

Peter Redmond is a corporate financier with some 30 years' experience in corporate finance and venture capital. He has acted on and assisted a wide range of companies to attain a listing over many years, on the Unlisted Securities Market, the Full List and AIM, whether by IPO or in many cases via reversals, across a wide range of sectors, ranging from technology through financial services to natural resources and, in recent years has done so as a director of the companies concerned. He has been active over many years in corporate rescues and reconstructions on AIM and in reverse transactions into a range of investing companies. He was a founder director of Cleeve Capital plc (now Satellite Solutions plc) and Mithril Capital plc (now BeHeard Group plc), both of which were admitted to the Standard List of the London Stock Exchange, and took a leading role in the reconstruction and refinancing of of AIM-quoted Kennedy Investments plc and 3Legs Resources plc (now SalvaRx plc). Peter is a director of Dukemount Capital Plc.

Adrian Richard Thorpe Beeston Non- Executive Director

Adrian founded Thorpe-Beeston Investments Ltd ("TBIL") in 2002. TBIL specialises in the financing and structuring of small to medium size businesses, and the floatation of these companies on the American Stock Exchange, AIM Exchange and TSX Venture Exchange. Previous to this, Adrian was at Altium Capital, a major pan-European corporate finance house, where he focused primarily on the raising of private equity. Adrian has worked extensively in small to mid size businesses, financing and working with over 20 companies in the last 5 years. Other work has included implementation of corporate structure, human resources planning, corporate governance policies and providing finance once these cornerstones of a business are in place.

Timothy Vincent Le Druillenec The Company Secretary

Timothy Le Druillenec is a Fellow of the Chartered Institute of Management Accountants and provides consultancy and accounting services to a number of companies including Dukemount Capital Plc, a Main Market Company, and during 2013, Leed Resources Plc, Kennedy Ventures Plc and Pires Investments Plc, all AIM-listed companies. Prior to that between 2005 and 2012, he had executive experience as the chief executive of Richards Walford & Company Ltd, a fine wine importer and prior to that he was the finance director and Company secretary of Bella Media Plc and between 1995 and 2004 he was group finance director and Company secretary of Pacific

Media Plc, a Main Market Company which was ultimately re-named as Responze TV Plc following the acquisition of effective control by an Asian investor group.

Directors' Report

The Directors present their report with the audited financial statements of the Company for the year ended 31 December 2016.

The Company's Ordinary Shares were admitted to listing on the London Stock Exchange, on the Official List pursuant to Chapters 14 of the Listing Rules, which sets out the requirements for Standard Listings, on 9th November 2015.

Directors

The Directors of the Company during the year and their beneficial interest in the Ordinary shares of the Company at 31 December 2016 were as follows:

Director	Position	Appointed	Ordinary shares	Options	Other
Geoffrey Dart*	Executive Chairman	13/02/2013	4,800,000 -	-	-***
Peter Redmond**	Non-Executive Director	29/07/2015	3,600,000	-	-***
Adrian Beeston	Non-Executive Director	29/07/2015	3,350,000	-	-***

* Geoffrey Dart holds these shares through Chesterfield Capital Ltd, of which he is the ultimate beneficial owner and Dukemount Capital Plc in which, following the listing of that Company on 29th March 2017, he holds 22.17% via Chesterfield Capital Ltd.

** Peter Redmond holds these shares through Catalyst Corporate Consultants Ltd of which he is the sole shareholder.

*** Each of the Directors has agreed not to receive a fee from the Company for so long as the Company remains as a special purpose acquisition Company. The Directors, will however, be entitled to receive a success fee of £30,000 each on completion of an Acquisition to be satisfied by the Company issuing and allotting to each of the Directors 1,000,000 Ordinary Shares at an issue price of £0.03 per Ordinary Share (subject to any adjustment following any sub-division or consolidation of the Ordinary Shares).

At the date of this report, there have been no changes to the Directors' beneficial interest in the Ordinary shares of the Company as disclosed in the table above.

Qualifying Third Party Indemnity Provision

At the date of this report, the Company have a third party indemnity policy in place for all three Directors.

Directors' Report (continued)

Substantial shareholders

As at 31 December 2016, the total number of issued Ordinary Shares with voting rights in the Company was 66,900,000.

The Company has been notified of the following interests of 3 per cent or more in its issued share capital as at the date of approval of this report.

Party Name	Number of Ordinary Shares	% of Share Capital
Optiva Securities Limited*	5,000,000	7.7%
Geoffrey Dart**	4,800,000	7.4%
Peter Redmond***	3,600,000	5.5%
Adrian Beeston	3,350,000	5.2%
Wayne Gibson	2,600,000	4.0%
Abdelatif Lachab	2,600,000	4.0%

* Optiva Securities Limited holds these shares through JIM Nominees Limited.

** Geoffrey Dart holds these shares through Chesterfield Capital Ltd, of which he is the ultimate beneficial owner and Dukemount Capital Plc in which, following the listing of that Company on 29th March, he holds 22.17% via Chesterfield Capital Ltd.

*** Peter Redmond holds these shares through Catalyst Corporate Consultants Ltd of which he is the sole shareholder.

Financial instruments

Details of the use of the Company's financial risk management objectives and policies as well as exposure to financial risk are contained in the Accounting policies and note 13 of the financial statements.

Greenhouse Gas (GHG) Emissions

The Company is not trading with no head office or employees other than its directors, and therefore has minimal carbon emissions. It is not practical to obtain emissions data and as such none is disclosed. This disclosure will become more relevant once the Company makes an acquisition.

Dividends

The Directors do not propose a dividend in respect of the year ended 31 December 2016 (31 December 2015: nil).

Future developments and events subsequent to the year end

Further details of the Company's future developments and events subsequent to the year end are set out in the Strategic Report.

Directors' Report (continued)

Corporate Governance

The Corporate Governance report forms part of the Director's Report and is disclosed on page 12.

Going Concern

The Company's business activities, together with facts likely to affect its future operations and financial and liquidity positions are set out in the Chairman's Statement and Strategic Report and also note 13 of the financial statements. In addition, note 2 i) to the financial statements discloses the Company's financial risk management policy and note 2 b) details out further considerations made by the Director in respect of going concern.

The Directors having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations over the next 12 months. The Directors therefore have made an informed judgment, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have adopted the going concern basis of accounting in the preparation of the annual financial statements.

Principal Activities

The Company's principal activity is currently that of a 'cash shell' actively seeking an investment. The Company was formed for the purpose of acquiring a company, business or asset that is looking to develop and expand.

Auditors

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

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Under Company 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 year.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Directors' Report (continued)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible to make a statement that they consider that the annual report and accounts, taken as a whole, is fair, balanced, and understandable and provides the information necessary for the shareholders to assess the Company's position and performance, business model and strategy.

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

Directors' responsibility statement pursuant to disclosure and Transparency Rule

Each of the Directors, whose names and functions are listed on page 3 confirm that, to the best of their knowledge and belief:

- the financial statements prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and

- the Annual Report and financial statements, including the Strategic 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 they face.

Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board on 24 April 2017

Signed ………………………………………….
Geoffrey Dart
Executive Chairman

Strategic Report

The Directors present the Strategic Report of Silver Falcon Plc for the year ended 31 December 2016.

Review of Business in the Period

Operational Review

Silver Falcon Plc was established for the purpose of acquiring a company, business or asset that it will then look to develop and expand.

The Company has not as yet traded and no material level of interest income has been received to date. Since incorporation, its expenses have related to professional and associated expenses related to the Standard Listing, Placing, Advisory, Due Diligence and Legal Documentation on potential transactions along with general administration expenses. These expenses have been met from the proceeds of the issue of Shares which have been the only sources of cash for the Company to date.

The capital raised has been used to fund the due diligence of potential projects and the costs of running the company.

The Board, which comprises individuals who have a number of years of experience in a range of various fields of expertise that will provide a sound foundation for the future development of the Company, is responsible for the Company's business strategy and its overall supervision, including the identification and assessment of acquisition opportunities, the approval, structuring and execution of acquisitions and determination and execution of strategy for the acquired companies, businesses or assets. The Board has considerable experience in identifying acquisition targets and in executing such transactions.

Financial review

Loss for the period

The Company incurred a loss for the year to 31 December 2016 of £519,898 (31 December 2015 – loss of £80,367).

In the year to 31 December 2016 the loss mainly arose from expenses in connection to professional and associated expenses related to the Advisory and Consultancy Fees, Due Diligence and Legal Documentation on potential transactions along with general administration expenses. These expenses have been met from the proceeds of the issue of shares, which have been the only sources of cash for the Company to date.

Strategic Report (continued)

Cash flow

Cash used in operations totalled £519,898 (31 December 2015 - £80,367)

Closing cash

As at 31 December 2016, the Company held £1,045,723 in the bank account (31 December 2015 - £1,323,869).

Key Performance Indicators

At this stage in its development, the Company is focusing on the evaluation of various opportunities and as disclosed in the Chairman's statement, the Company has discontinued its interest in Lime. As and when the Company executes its first substantial acquisition, financial, operational, health, safety, and environmental KPIs will become more relevant and reported upon as appropriate. As a result, the Directors are of the opinion that, other than the maintenance of cash and cash equivalents, analysis using KPI's is not appropriate for an understanding of the business at this time.

	2016	2015
Cash and cash equivalents	£1,045,723	£1,323,869

Position of Company's Business at the Year End

The Company has invested money raised from share issues during the year in researching potential projects. Further details of the Company's strategy is set out in the Chairman's Statement and on page 8. Disclosure on the future business model and factors/trends that are likely to affect future development, position and performance of the Company will be more relevant once an acquisition is completed.

During the year, 2,000,000 new Ordinary Shares of £0.01 nominal value were issued at a premium of £0.03 per share to M6 Limited as settlement for a fee of £80,000 for online marketing services.

At the year end

At the year end the Company's Statement of Financial Position shows assets totaling £1,047,403 (31 December 2015 – £1,355,036). The Company has few liabilities and is considered to have a strong cash position at the reporting date.

Environmental matters

The Board contains personnel with a good history of running businesses that have been compliant with all relevant laws and regulations and there have been no instances of non-compliance in respect environmental matters. More detail will be disclosed in the future annual reports once the Company completes an acquisition.

Strategic Report (continued)

Employee information

At present, there are no female Directors' in the Company. Apart from the Executive Chairman and Non-executive Directors there are no employees currently in the Company.

Social/Community/Human rights matters

The Board acknowledge that, following an acquisition, they will need to consider social and community implications, particularly in the areas of operations, and the Board will fully take into consideration and comply with any necessary local requirements

Whilst the Company has no female members on the Board, they recognise the need to operate a gender diverse business, and they will revisit this area following an acquisition to consider its appropriateness. The Board will also ensure any future employment takes into account the necessary diversity requirements and compliance with all employment law. The Board has experience and sufficient training/qualifications in dealing with such issues to ensure they would meet all requirements. More detail will be disclosed in the future annual reports once the Company complete an acquisition.

Business strategy

Silver Falcon Plc was established for the purpose of acquiring a company, business or asset that it will then look to develop and expand. The way in which the Company plans to achieve this is to complete due diligence assessments on potential businesses to evaluate their suitability and potential.

The business model is the identification and assessment of potential businesses and assets with the target industry sector being seen as having considerable growth potential. Until a reputable investment is identified, the Director's look to spend as little as possible unless the expenditure directly relates with the above assessment exercises.

Principal Risks and Uncertainties

The Directors consider the key risk for the Company to be the maintenance of its reserves of cash and cash equivalents whilst it targets an acquisition.

The Company operates in an uncertain environment and is subject to a number of risk factors. The Directors consider the following risk factors are of particular relevance to the Company's activities and to any investment in the Company. It should be noted that the list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

The risk factors are summarised below:

Risks relating to the Company's business strategy

The Company will be dependent on the ability of the Directors to identify suitable investment opportunities and to implement the Company's strategy. There is no assurance that the Company's activities will be successful in acquiring a suitable investment that will ultimately be developed.

Strategic Report (continued)

Environmental and other regulatory requirements

These will become more relevant once the Company makes an acquisition. The event of a breach with any environmental or regulatory requirements may give rise to reputational, financial or other sanctions against the Company, and therefore the Board considers these risks seriously and designs, maintains and reviews its policies and processes so as to mitigate or avoid these risks. Whilst the Board has a good record of compliance, there is no assurance that the Company's activities will always be compliant.

Financing

The Board are actively seeking an acquisition and acknowledge that financing could depend upon the Company's ability to obtain financing primarily through a further raising of new equity capital. The Company's ability to raise further funds maybe be affected by the success of its acquired investments. The Company may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Company may be required to reduce the scope of its intended acquisition. Further, Shareholders' holdings of Ordinary Shares may be materially diluted if debt financing is not available.

Brexit

The Company does not foresee any material issues with Brexit at this stage and indeed would not look to conclude any transaction where the possibility of a detrimental effect caused by Brexit would be likely. There may be issues raising funds from investors in the short term now that Article 50 has been triggered by the UK Government however investor markets in the UK have continued to be strong and it is too early to say if there will be any direct impact. The Directors continue to monitor events and as the Directors receive more information from the Government and the EU they will assess the impact to the Company and take appropriate steps as required.

Market Conditions

Market conditions, including general economic conditions and their effect on exchange rates, interest rates and inflations rates, may impact the ultimate value of the Company regardless of its operating performance. The Company also faces competition from other organisations, some of which may have greater resources or be more established in a particular territory. The Board considers and reviews all market conditions to try and mitigate any risks that may arise from these.

Approved by the Board on 24 April 2017

Geoffrey Dart
Executive Chairman

Governance Report

Introduction

The Company recognises the importance of, and is committed to, high standards of Corporate Governance. At the date of this Report, and whilst the Company is not formally required to comply with the UK Corporate Governance Code, the Company will try to observe, where practical, the requirements of the UK Corporate Governance Code. The UK Corporate Governance Code can be found at frc.org.uk/our-work/publications/Corporate-Governance. The ways in which the Company will try and observe the code are set out below:

- Given the composition of the Board, certain provisions of the UK Corporate Governance Code (in particular the provisions relating to the division of responsibilities between the Chairman and chief executive and executive compensation), are considered by the Board to be inapplicable to the Company. In addition, the Company does not comply with the requirements of the UK Corporate Governance Code in relation to the requirement to have a senior independent director.

- The UK Corporate Governance Code also recommends the submission of all directors for re-election at annual intervals. No Director will be required to submit for re-election until the first annual general meeting of the Company following the Acquisition.

- Until the Acquisition is made the Company will not have nomination, remuneration, audit or risk committees. The Board as a whole will instead review its size, structure and composition, the scale and structure of the Directors' fees (taking into account the interests of Shareholders and the performance of the Company) take responsibility for the appointment of auditors and payment of their audit fee, monitor and review the integrity of the Company's financial statements and take responsibility for any formal announcements on the Company's financial performance. Following the Acquisition the Board intends to put in place nomination, remuneration, audit and risk committees.

As at the date of this Report the Board has voluntarily adopted the Model Code for Directors' dealings contained in the Listing Rules of the UK Listing Authority. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the Model Code by the Directors. Compliance with the Model Code is being undertaken on a voluntary basis and the FCA will not have the authority to (and will not) monitor the Company's voluntary compliance with the Model Code, nor to impose sanctions in respect of any failure by the Company to so comply. In addition, the Company will take all proper and reasonable steps to ensure compliance by the Founders with the Model Code for dealings in the Ordinary Shares.

The Company is a small company with a modest resource base. The Company has a clear mandate to optimise the allocation of limited resources to support its development plans. As such, the Company strives to maintain a balance between conservation of limited resources and maintaining robust corporate governance practices. As the Company evolves, the Board is committed to enhancing the Company's corporate governance policies and practices deemed appropriate for the size and maturity of the organisation.

Set out below are Silver Falcon Plc's corporate governance practices for the year ended 31 December 2016.

Governance Report (continued)

Leadership

The Company is headed by an effective Board which is collectively responsible for the long-term success of the Company.

The role of the Board - The Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed strategic priorities, and reviews management and financial performance. It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and long-term shareholder value. To achieve this, the Board directs and monitors the Company's affairs within a framework of controls which enable risk to be assessed and managed effectively. The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company. The Board has a formal schedule of matters reserved which is provided later in this report.

Board Meetings - The core activities of the Board are carried out in scheduled meetings of the Board. These meetings are timed to link to key events in the Company's corporate calendar and regular reviews of the business are conducted. Additional meetings and conference calls are arranged to consider matters which require decisions outside the scheduled meetings. During the year, the Board met on 9 occasions.

Outside the scheduled meetings of the Board, the Directors maintain frequent contact with each other to discuss any issues of concern they may have relating to the Company or their areas of responsibility, and to keep them fully briefed on the Company's operations.

Matters reserved specifically for Board - The Board has a formal schedule of matters reserved that can only be decided by the Board. The key matters reserved are the consideration and approval of;

- The Company's overall strategy;
- Financial statements and dividend policy;
- Management structure including succession planning, appointments and remuneration; material acquisitions and disposal, material contracts, major capital expenditure projects and budgets;
- Capital structure, debt and equity financing and other matters;
- Risk management and internal controls;
- The Company's corporate governance and compliance arrangements; and
- Corporate policies;

Summary of the Board's work in the year – During the year, the Board considered all relevant matters within its remit, but focused in particular on the establishment of the Company and the identification of a suitable investment opportunity for the Company to pursue.

Governance Report (continued)

Attendance at meetings:

Member		Meetings attended
Geoffrey Dart	Executive Chairman	9
Peter Redmond	Non-executive Director	9
Adrian Beeston	Non-executive Director	9

The Board is pleased with the high level of attendance and participation of Directors at Board and committee meetings.

The Chairman, Geoffrey Dart, sets the Board Agenda and ensures adequate time for discussion.

Non-executive Directors - The non-executive Directors bring a broad range of business and commercial experience to the Company and have a particular responsibility to challenge independently and constructively the performance of the Executive management (where appointed) and to monitor the performance of the management team in the delivery of the agreed objectives and targets.

Non-executive Directors are initially appointed for a term of three years, which may, subject to satisfactory performance and re-election by shareholders, be extended by mutual agreement.

Other governance matters - All of the Directors are aware that independent professional advice is available to each Director in order to properly discharge their duties as a Director. In addition, each Director and Board committee has access to the advice of the Company Secretary.

The Company Secretary - The Company Secretary is Timothy Le Druillenec who is retained on a consultancy basis. He is available to Directors and responsible for the Board complying with UK procedures.

Effectiveness

For the period under review the Board comprised of an Executive Chairman and two independent non-executive Directors. Biographical details of the Board members are set out on page 3 of this report.

The Directors are of the view that the Board and its committees consist of Directors with an appropriate balance of skills, experience, independence and diverse backgrounds to enable them to discharge their duties and responsibilities effectively

Independence - The non-executive Directors bring a broad range of business and commercial experience to the Company. The Board considers each of the non-executive Directors to be independent in character and judgement.

Appointments – the Board is responsible for reviewing and the structure, size and composition of the Board and making recommendations to the board with regards to any required changes.

Governance Report (continued)

Commitments – All Directors have disclosed any significant commitments to the Board and confirmed that they have sufficient time to discharge their duties.

Induction - All new Directors received an induction as soon as practical on joining the Board.

Conflict of interest - A Director has a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company. The Board had satisfied itself that there is no compromise to the independence of those Directors who have appointments on the Boards of, or relationships with, companies outside the Company. The Board requires Directors to declare all appointments and other situations which could result in a possible conflict of interest.

Board performance and evaluation – Silver Falcon Plc has a policy of appraising Board performance annually. Having reviewed various approaches to Board appraisal, it has concluded that for a Company of its current scale, an internal process in which all Board members submit answers to a questionnaire that considers the functionality of the Board and its committees is most appropriate at this stage.

Accountability

The Board is committed to providing shareholders with a clear assessment of the Company's position and prospects. This is achieved through this report and as required other periodic financial and trading statements.

Going concern - The Company's business activities, together with factors likely to affect its future operations, financial position, and liquidity position are set out in the Chairman's Statement and the Operational Review and the principle risks and uncertainties sections of the Strategic Report. In addition, the notes to financial statements discloses the Company's financial risk management practices with respect to its capital structure, liquidity risk, interest rate risk, credit risk, and other related matters.

The Directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations and has the ability to access additional financing, if required, over the next 12 months. The Directors, therefore, have made an informed judgement, at the time of approving financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Internal controls - The Board of Directors reviews the effectiveness of the Company's system of internal controls in line with the requirement of the Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliances and risk management. The Company has necessary procedures in place for the year under review and up to the date of approval of the Annual Report and financial statements. The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company. The Directors carry out a risk assessment before signing up to any commitments.

Governance Report (continued)

The Audit Committee, once established, will regularly review and report to the Board on the effectiveness of the system of internal control. Given the size of the Company and the relative simplicity of the systems, the Board considers that there is no current requirement for an internal audit function. The procedures that have been established to provide internal financial control are considered appropriate for a Company of its size and include controls over expenditure, regular reconciliations and management accounts.

The Directors are responsible for taking such steps as are reasonably available to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Remuneration

Currently due to the size of the Company there is no Remuneration Committee. This will be established following an acquisition. As at the date of this report, salaries are not paid to the directors.

Nomination

Currently due to the size of the Company there is no Nomination Committee. This will be established following an acquisition

Shareholder relations

Communication and dialogue – Open and transparent communication with shareholders is given high priority and there is regular dialogue with institutional investors, as well as general presentations made at the time of the release of the annual and interim results. All Directors are kept aware of changes in major shareholders in the Company and are available to meet with shareholders who have specific interests or concerns. The Company issues its results promptly to individual shareholders and also publishes them on the Company's website: www.silverfalconplc.com. Regular updates to record news in relation to the Company and the status of its exploration and development programmes are included on the Company's website. Shareholders and other interested parties can subscribe to receive these news updates by email by registering online on the website free of charge.

The Directors are available to meet with institutional shareholders to discuss any issues and gain an understanding of the Company's business, its strategies and governance. Meetings are also held with the corporate governance representatives of institutional investors when requested.

Annual General Meeting - At every AGM individual shareholders are given the opportunity to put questions to the Chairman and to other members of the Board that may be present. Notice of the AGM is sent to shareholders at least 21 working days before the meeting. Details of proxy votes for and against each resolution, together with the votes withheld are announced to the London Stock Exchange and are published on the Company's website as soon as practical after the meeting.

…………………
Geoffrey Dart
Executive Chairman
Date 24 April 2017

Directors' Remuneration Report

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

The items included in this report are unaudited unless otherwise stated.

Statement of Silver Falcon Plc's policy on Directors' remuneration by the Executive Chairman

Each of the Directors has agreed not to receive a fee from the Company for so long as the Company remains as a special purpose acquisition Company (December 2015: no remuneration paid). Instead, the Company and the Directors have agreed that the Directors shall be entitled to receive a success fee which is detailed below.

Remuneration Components

For the period ended 31 December 2016 no salaries were paid to any directors. Following a suitable acquisition, the Board will consider the components of Director remuneration in future years and following this review these are likely to consist of:

- Base salaries
- Pension and other benefits
- Annual bonus
- Share Incentive arrangements

Each of the Directors has agreed not to receive a fee from the Company for so long as the Company remains as a special purpose acquisition Company. Instead, the Company and the Directors have agreed that the Directors shall be entitled to receive a success fee of £30,000 each on completion of an Acquisition to be satisfied by the Company issuing and allotting to each of the Directors 1,000,000 Ordinary Shares at an issue price of £0.03 per Ordinary Share (subject to any adjustment following any sub-division or consolidation of the Ordinary Shares).

Service Agreements and Letters of Appointment

As at the date of this report the directors have not yet sought to have Service Agreements prepared and will reconsider this position once a transaction has been agreed.

The Directors who held office at 31 December 2016 and who had beneficial interests in the Ordinary Shares of the Company are summarised as follows:

Name of Director	**Position**
Geoffrey Dart	Executive Chairman
Peter Redmond	Non-executive director
Adrian Beeston	Non-executive director

Details of these beneficial interests can be found in the Directors' Report.

Directors' Remuneration Report (continued)

Terms of appointment

The services of the Directors, provided under the terms of agreement with the Company dated as follows:

Director	Year of appointment	Number of years completed	Date of current engagement letter
Geoffrey Dart	2013	3	30 September 2015
Peter Redmond	2015	1	30 September 2015
Adrian Beeston	2015	1	30 September 2015

Consideration of shareholder views

The Board considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's annual policy on remuneration.

Policy for new appointments

Base salary levels will take into account market data for the relevant role, internal relativities, their individual's experience and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time (e.g. two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy.

For external and internal appointments, the Board may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

Directors' emoluments and compensation (audited)

Set out below are the emoluments of the Directors for the period ended 31 December 2016 (GBP):

Name of Director	Salary and fees	Taxable benefits	Annual bonus and long term benefits	Pension related benefits	Other *	Total
Geoffrey Dart	-	-	-	-	-	-
Peter Redmond	-	-	-	-	-	-
Adrian Beeston	-	-	-	-	-	-

* The Company and the Directors have agreed that the Directors shall be entitled to receive a success fee of £30,000 each on completion of an Acquisition to be satisfied by the Company issuing and allotting to each of the Directors 1,000,000 Ordinary Shares at an issue price of £0.03 per Ordinary Share (subject to any adjustment following any sub-division or consolidation of the Ordinary Shares).

Directors' Remuneration Report (continued)

Directors' emoluments and compensation (audited) (continued)

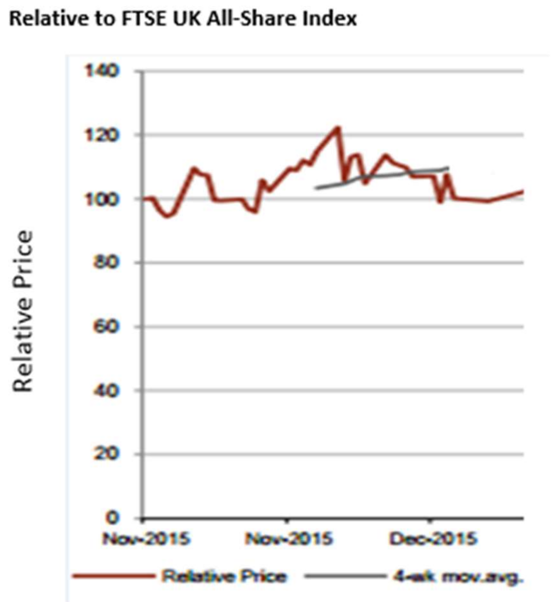
Set out below are the emoluments of the Directors for the period ended 31 December 2015 (GBP):

Name of Director	Salary and fees	Taxable benefits	Annual bonus and long term benefits	Pension related benefits	Other	Total
Geoffrey Dart	-	-	-	-	-	-
Peter Redmond	-	-	-	-	-	-
Adrian Beeston	-	-	-	-	-	-

Other matters

The Company does not currently have any annual or long-term incentive schemes or any other scheme interests in place for any of the Directors other than already disclosed in respect of 'success fee' and as such there are no disclosures in this respect.

The Company does not have any pension plans for any of the Directors and does not pay pension amounts in relation to their remuneration. The Company has not paid out any excess retirement benefits to any Directors or past Directors. The Company has not paid any compensation to past Directors.



Performance Graph
The following table includes a performance graph comparing, the total shareholder return of an ordinary share in Silver Falcon Plc against the total shareholder return of the FTSE All-share index. Silver Falcon Plc was listed in November 2015 and therefore no historical share price data exists prior to this period, there was also no data after its suspension in December 2015, pending the completion of a transaction.

Approved on behalf of the Board of Directors.

……………………….
Geoffrey Dart
Director & Executive Chairman
Date: 24 April 2017

Independent Auditor's Report to the Members of Silver Falcon Plc

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and article 4 of the IAS regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Basis for opinion

We have audited the financial statements of Silver Falcon Plc for the year ended 31 December 2016 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 their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Going concern

We have reviewed the Directors' statement on page 6 that the Company is a going concern.

We confirm that:

- We have not identified material uncertainties related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern which we believe would need to be disclosed in accordance with IFRSs as adopted by the European Union; and

- We have concluded that the Directors' use of the going concern basis of accounting for the preparation of the financial statements to be appropriate.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Independent Auditor's Report for the Members of Silver Falcon Plc (continued)

Corporate Governance

We have reviewed the contents of the Governance Report which starts from page 12 and we have nothing further to report.

Our assessment of risks of material misstatement

Due to the nature of the Company, which is not trading, it has very few transactions other than those connected with its listing onto the London Stock Exchange, we did not identify any specific risks that give rise to material misstatement, mainly because of the limited number of transactions, which meant that we were able to review almost all transactions during our audit. The Company has very few liabilities and its main asset is cash at bank. As part of our audit, we undertook the necessary substantive and analytical procedures and undertook a review of the bank transactions, including authorisation and approval procedures. A bank confirmation letter to confirm the cash balance and to identify any other relationship between the Company and its bankers was obtained directly from the bank. The Company is not trading and therefore going concern was also identified as a risk and our review of going concern is included in our report on page 20 and page 22.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements. For the purposes of determining whether the financial statements are free from material misstatement, we define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced. We also determine a level of performance materiality which we use to assess the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole. We determined materiality for the Company to be £31,500, which is approximately 3% of the total assets, as the Company has not traded and has very little activity other than the raising of equity following acquisition. Our objective in adopting this approach is to ensure that total detected and undetected audit differences do not exceed our planning materiality of £31,500 for the financial statements as whole. We agreed with the Board that all audit differences in excess of £1,575, as well as differences below that threshold that, in our view, warranted reporting.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities within the Directors' Report, 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.

Independent Auditor's Report for the Members of Silver Falcon Plc (continued)

Respective responsibilities of directors and auditors (continued)

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.

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.

An Overview of the Scope of our audit

Our audit scope focused on the financial statements of the Company and identified the material balances in the statement of comprehensive income for the year ended 31 December 2016, the statement of financial position at 31 December 2016, the statement of changes in equity for the year ended 31 December 2016, the Statement of Cash Flows for the year ended 31 December 2016 and the notes to the financial statements.

Silver Falcon Plc is a single entity investing Company that is in talks with a business after identifying a suitable acquisition. The Company incurred certain acquisition related expenses during the year and settled a monetary debt through the issuance of its equity instruments. Our audit focussed on the accounting treatment for these and the related disclosures thereof.

Independent Auditor's Report for the Members of Silver Falcon Plc (continued)

An Overview of the Scope of our audit (continued)

The way in which we scoped our response to the significant risks identified are as follows:

- The Company has very few liabilities and its main asset is cash at bank. As part of our audit, we undertook substantive procedures, to include testing the bank transactions including authorisation and approval procedures and a general analytical review of all balances. A bank confirmation letter was obtained directly from the bank to confirm the cash balance and to identify any other relationship between the Company and its bankers.

- Going concern – we note that the Company has a very small cost base and that it holds sufficient funds to ensure it can meet its ongoing working capital needs to settle its debts as they fall due for a period of at least one year from the date of approval of these financial statements. We also note that the Directors seek to ensure that these costs be kept to a minimum until an acquisition has been made and this has been reflected following our review of the post year end transactions. The major expenses incurred in the year were in respect of legal and professional fees relating to the planned acquisition, and other costs associated with keeping the Company listed. There are no other planned expenses and in considering these costs, the Directors have concluded that the Company has sufficient funds in place to ensure it can meet its payment obligations as they fall due for a period of at least one year from the date these financial statements are approved. Following our review, we have concluded that the Director's use of the going concern basis of accounting to be appropriate.

Matters on which we are required to report by exception

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the Annual Report is:

Materially inconsistent with the information in the audited financial statements or apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit or is otherwise misleading.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- certain disclosures of directors' remuneration specified by law are not made;

- we have not received all the information and explanations we require for our audit;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns.

Independent Auditor's Report for the Members of Silver Falcon Plc (continued)

Matters on which we are required to report by exception (continued)

Under the Listing Rules we are required to review:

- the Directors' statement, in relation to going concern; and
- the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

We have nothing to report on in respect of the above.

Mark Ling (Senior Statutory Auditor)

For and on behalf of
PKF Littlejohn LLP

Statutory Auditor

1 Westferry Circus
Canary Wharf
London
E14 4HD

Date 24 April 2017

Statement of Comprehensive Income

	Note	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Continuing operations			
Revenue		-	-
Administrative expenses	3	(519,898)	(46,027)
Listing costs		-	(34,340)
Operating loss		**(519,898)**	**(80,367)**
Loss before taxation		**(519,898)**	**(80,367)**
Taxation	4	-	-
Loss for the year attributable to equity owners		**(519,898)**	**(80,367)**
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the equity owners		**(519,898)**	**(80,367)**
Earnings/(loss) per share attributable to equity owners			
Basic and diluted (£ per share)	5	**(0.008)**	**(0.005)**

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

Statement of Financial Position

	Note	As at 31 December 2016 £	As at 31 December 2015 £
Assets			
Current assets			
Trade and other receivables	6	1,680	31,167
Cash and cash equivalents	7	1,045,723	1,323,869
Total current assets		**1,047,403**	**1,355,036**
Total assets		**1,047,403**	**1,355,036**
Equity and liabilities			
Equity attributable to shareholders			
Called up share capital	8	669,000	649,000
Share Premium	9	841,243	781,243
Retained earnings		(606,535)	(86,637)
Total equity		**903,708**	**1,343,606**
Liabilities			
Current liabilities			
Trade and other payables	10	143,695	11,430
Total liabilities		**143,695**	**11,430**
Total equity and liabilities		**1,047,403**	**1,355,036**

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 24 April 2017 and signed on its behalf by;

………………………
Geoffrey Dart
Executive Chairman

Company Registration Number: 08401609

Statement of Changes In Equity

CURRENT YEAR	**Called up share capital £**	**Share Premium £**	**Retained earnings £**	**Total £**
Brought forward at 1 January 2016	649,000	781,243	(86,637)	1,343,606
Loss in year	-	-	(519,898)	(519,898)
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the year	-	-	(519,898)	(519,898)
Issue of share capital net of share issue costs	20,000	60,000	-	80,000
As at 31 December 2016	669,000	841,243	(606,535)	903,708

	Called up share capital £	**Share Premium £**	**Retained earnings £**	**Total £**
As at 1 March 2015	50,000	-	(6,270)	43,730
Loss in period	-	-	(80,367)	(80,367)
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the period	-	-	(80,367)	(80,367)
Issue of share capital net of share issue costs	599,000	781,243	-	1,380,243
As at 31 December 2015	649,000	781,243	(86,637)	1,343,606

Share capital comprises the ordinary issued share capital of the Company.

Share Premium represents consideration less nominal value of issued shares and costs directly attributable to the issue of new shares.

Retained earnings represent the cumulative retained losses of the Company at the reporting date.

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

Statement of Cash Flows

	Note	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Cash flow from operating activities			
Loss before taxation		(519,898)	(80,367)
Adjustments for:			
Share-based payment		80,000	-
Changes in working capital			
Decrease in trade and other receivables		29,487	6,333
Increase in trade and other payables		132,265	11,430
Net cash used in operating activities		**(278,146)**	**(62,604)**
Cash flows from financing activities			
Proceeds from issuance of shares net of issue costs		-	1,380,243
Net cash generated from financing activities		**-**	**1,380,243**
Cash flows from investing activities		-	-
Net cash used in investing activities		**-**	**-**
Increase/(decrease) in cash and cash equivalents		**(278,146)**	**1,317,639**
Cash and cash equivalents at beginning of period		**1,323,869**	**6,230**
Cash and cash equivalents at end of period	**7**	**1,045,723**	**1,323,869**

Major non-cash transactions

On the 11 November 2016 2,000,000 new Ordinary Shares of £0.01 nominal value were issued at a premium of £0.03 per share to M6 Limited as settlement for a fee of £80,000 for online marketing services.

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

Notes to the Financial Statements

1. General Information

The Company's principal activity is currently that of a 'cash shell' actively seeking an investment. The Company was incorporated in England and Wales on 13 February 2013 as a private limited Company. The Company did not trade during the financial period ended 31 December 2016, the majority of expenses related to legal and professional fees in connection with an aborted acquisition and a new potential acquisition, along with consultancy and legal fees as well as general administration expenses.

The Company's registered office is located at 5 Fleet Place, London EC4M 7RD, and is listed on the London Stock Exchange.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee (IFRS IC) interpretations as adopted for use by the European Union, and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

i) New and amended standards mandatory for the first time for the period beginning 1 January 2016

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 January 2016 have had a material impact on the Company.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

a) Basis of Preparation (continued)

ii) *New standards, amendments and Interpretations in issue but not yet effective or not yet endorsed and not early adopted*

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are listed below. The Company intend to adopt these standards, if applicable, when they become effective.

Standard	Impact on initial application	Effective date
IAS 7 (Amendments)	Disclosure Initiative	*1 January 2017
IAS 12 (Amendments)	Recognition of Deferred Tax	*1 January 2017
IFRS 9 (Amendments)	Financial Instruments	1 January 2018
IFRS 15	Revenue from contracts with customers	*1 January 2018
IFRS 16	Leases	*1 January 2019
IFRS 2 (Amendments)	Share-based payments – classification and measurement	*1 January 2018
Annual improvements	2014-2016 Cycle	*1 January 2017/ 1 January 2018
IAS 40 (Amendments)	Transfer of investment property	1 January 2017
IFRIC Interpretations 22	Foreign currency transactions and advanced consideration	1 January 2018
IFRS 4 (Amendments)	Applying IFRS 9 ‘with IFRS 4’ Insurance contracts	*1 January 2018
IFRIC 22	Foreign currency transactions and advance consideration	*1 January 2018
IAS 40 (Amendments)	Transfers of investment properties	*1 January 2018

* Subject to EU endorsement

The Company is evaluating the impact of the new and amended standards above. The Directors believe that these new and amended standards are not expected to have a material impact on the Company’s results or shareholders’ funds but this will revisited once an acquisition has been made. However, the following standards should be looked at in more detail:

IFRS 9, ‘Financial instruments’, addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018 but early adoption is permitted.

As at the year end, the Company only hold basic financial instruments such as loans and receivables and other liabilities measured at amortised cost. Because of this, the Director's believe the potential changes caused by IFRS 9 will be immaterial until an acquisition of a trading company has taken place.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted.

As at the year-end and at the date of the approval of the financial statements, no revenue has been generated. Revenue will only be generated once an acquisition of a trading company has taken place. Once this is the case, the Company will determine a reasonable time frame for adopting IFRS 15 and the best approach in providing reliable comparative information.

b) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

b) Significant accounting judgements, estimates and assumptions (continued)

The principal areas in which judgement is applied are as follows:

Going Concern

The preparation of financial statements requires an assessment on the validity of the going concern assumption.

The Directors have reviewed projections for a period of at least 12 months from the date of approval of the financial statements. The Company has no revenues but significant cash resources were raised following its listing to finance its activities whilst it identifies and completes suitable acquisition opportunities. On 30 September 2016, a potential acquisition of Lime Holdings Limited was halted. Since this time, the Company has been looking at other potential acquisitions but as of yet have not come to a binding agreement.

In making their assessment of Going Concern, the Directors acknowledge that the Company has a very small cost base and can therefore confirm that they hold sufficient funds to ensure they can meet their ongoing working capital needs to settle their debts as they fall due for a period of at least one year from date of approval of these financial statements. Accordingly, the Board believes it is appropriate to adopt the going concern basis in the preparation of the financial statements.

c) Financial Instruments

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company currently does not use derivative financial instruments to manage or hedge financial exposures or liabilities.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise Trade and Other Receivables and Cash and Cash Equivalents in the Statement of Financial Position

d) Trade and Other Receivables and Payables

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Notes to the Financial Statements (continued)

d) Trade and Other Receivables and Payables (continued)

Other liabilities measured at amortised cost are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. The liabilities are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer. If not, they are presented as non-current liabilities.

The liabilities are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

e) De-recognition of Financial Instruments

i. Financial Assets

A financial asset is derecognised where:

- the right to receive cash flows from the asset has expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a pass-through arrangement; or
- the Company has transferred the rights to receive cash flows from the asset, and either has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

ii. Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

f) Taxation

Current Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

f) Taxation (continued)

Deferred Tax

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investment in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes related to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the statement of comprehensive income.

g) Segmental Reporting

At this point, identifying and assessing investment projects is the only activity the Company is involved in and is therefore considered as the only operating/reportable segment.

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)

2. Summary of Significant Accounting Policies (continued)

h) 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. Further details on the risk disclosures can be found in Note 13.

i) Equity

Equity instruments issued by the Company are recorded net at proceeds after direct issue costs.

j) Cash and Cash Equivalents

Cash and cash equivalents comprise cash held in bank. This definition is also used for the Statement of Cash Flows.

The Company considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk. The Company only keeps its holdings of cash and cash equivalents with institutions which have a minimum credit rating of 'A-'.

The Company considers that it is not exposed to major concentrations of credit risk.

Notes to the Financial Statements (continued)

3. Expenses by Nature

	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Advertising and PR	80,400	17,050
Fees payable to the Company's auditor:		
- for the audit of the annual accounts	11,575	7,025
- non audit services	24,000	-
Legal and professional fees	296,016	6,825
Establishment expenses	107,907	15,127
Total Administrative expenses	**519,898**	**46,027**

4. Income tax

Analysis of charge in the year

	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Current tax:		
UK corporation tax on loss for the year	-	-
Deferred tax	-	-
Tax on loss on ordinary activities	-	-
Loss on ordinary activities before tax	(519,898)	(80,367)
Analysis of charge in the year		
Loss on ordinary activities multiplied by rate of corporation tax in the UK of 20%	(103,980)	(16,073)
Disallowed items	54,145	3,168
Timing differences	-	3,700
Tax losses carried forward	(49,835)	(9,205)
Current tax charge	-	-
Effects of:		
Tax Loss brought forward	(46,027)	-
Prior year adjustment	(18,498)	-
Tax Loss in period unutilised	(230,673)	(46,027)
Tax Loss carried forward	(295,198)	(46,027)
Current tax charge for the year as above	-	-

The Company has accumulated tax losses arising in the UK of approximately £295,198 (Dec 2015: £46,027) that are available, under current legislation, to be carried forward against future profits. No deferred tax asset has been recognised against these losses.

5. Earnings per share

The calculation of the Basic and fully diluted earnings per share is calculated by dividing the loss for the year from continuing operations of £519,898 (2015: £80,367) for the Company by the weighted average number of ordinary shares in issue during the year of 65,173,973 (2015: 16,519,016).

There are no potential dilutive shares in issue.

Notes to the Financial Statements (continued)

6. Trade and other receivables

	As at 31 December 2016 £	As at 31 December 2015 £
VAT receivable	-	28,082
Other receivables	180	335
Prepayments	1,500	2,750
	1,680	**31,167**

There are no material differences between the fair value of trade and other receivables and their carrying value at the year end.

No receivables were past due or impaired at the year end.

7. Cash and cash equivalents

	As at 31 December 2016 £	As at 31 December 2015 £
Cash at bank	1,045,723	1,323,869
	1,045,723	**1,323,869**

8. Called up share capital

On 30 October 2015 and prior to the Company's listing, 21,600,000 new Ordinary Shares of £0.01 nominal value had been issued at par and fully paid. On 9 November 2015 following the Company's listing on the London Stock Exchange, 43,300,000 new Ordinary Shares of £0.01 nominal value were issued, fully paid at a premium of £0.02 per share. On 11th November 2016 2,000,000 new Ordinary Shares of £0.01 nominal value were issued at a premium of £0.03 per share to M6 Limited as settlement for a fee of £80,000 for online marketing services.

The ordinary shares have attached to them full voting, dividend and capital distribution rights (including on a winding up). The ordinary shares do not confer any rights of redemption.

Notes to the Financial Statements (continued)

8. Called up share capital (continued)

	Number of Shares Ordinary Shares	Share Capital £
At 1 March 2015	5,000,001	50,000
Subscription 29 July 2015	2,499,999	25,000
Intermediate placees subscription 30 October 2015	14,100,000	141,000
Placing 9 November 2015	43,300,000	433,000
At 1 January 2016	64,900,000	649,000
Ordinary Shares issued 11 November 2016	2,000,000	20,000
At 31 December 2016		
Ordinary Shares of £0.01	66,900,000	669,000

9. Share Premium

Summary of Share Premium

	Share Premium Paid (net of cost of shares) £	Less share issue costs £	Net Share Premium £
At 1 March 2015	-	-	-
Placing 9 November 2015	866,000	(84,757)	781,243
At 1 January 2016	866,000	(84,757)	781,243
Ordinary Shares issued 11 November 2016	60,000	-	60,000
At 31 December 2016	926,000	(84,757)	841,243

10. Trade and other payables

	As at 31 December 2016 £	As at 31 December 2015 £
Accruals	143,695	11,430
	143,695	**11,430**

Notes to the Financial Statements (continued)

11. Related party disclosures

With effect from 11 November 2015, M6 Limited ("**M6**") entered into an agreement to provide web development, online marketing, mobile application development and marketing, content production, advertising, public relations, and lead generation services to the Company for a fee of £80,000. The Company has agreed with M6 to issue 2,000,000 Ordinary Shares at the Placing Price at Admission in settlement of monies owed to M6. As at 11 November 2016, 2,000,000 Ordinary Shares were issued to M6 as payment for their services; further details of this transaction are disclosed in note 8. Adrian Beeston, a director of the Company, is also a director of M6 and holds c.17 per cent. of the issued ordinary share capital of M6 Limited.

During the year, the Company paid £20,239 (2015: £3,000) to Dukemount Capital Plc in respect of rent. Peter Redmond, a Director of the Company, is also Director of Dukemount Capital Plc. As at the year-end, £Nil (2015: £1,500) was owed to Dukemount in respect of rent.

12. Directors' emoluments

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

Name of Director	Short term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Other	Total
Geoffrey Dart	-					-
Peter Redmond	-					-
Adrian Beeston	-					-
Total	-	-	-	-	-	-

Further information concerning Directors' remuneration can be found in the Directors' Remuneration report.

13. Financial instruments

The following table sets out the categories of financial instruments held by the Company as at the year ended 31 December 2016 and period ended 31 December 2015:

2016	**Loans and Receivables**	**Total**
	£	**£**
Trade and other receivables, except prepayments	180	180
Cash and cash equivalents	1,045,723	1,045,723
	1,045,903	**1,045,903**

2015	**Loans and Receivables**	**Total**
	£	**£**
Trade and other receivables, except prepayments	28,417	28,417
Cash and cash equivalents	1,323,869	1,323,869
	1,352,286	**1,352,286**

2016	**Other financial liabilities at amortised cost**	**Total**
	£	**£**
Trade and other payables	143,695	143,695
	143,695	**121,695**

2015	**Other financial liabilities at amortised cost**	**Total**
	£	**£**
Trade and other payables	11,430	11,430
	11,430	**11,430**

Cash & cash equivalents
All of the cash balance as per the Statement of Financial Position is held with the following institutions:

	2016	**2015**
	£	**£**
Metro Bank PLC	1,044,502	1,323,869
Royal Bank of Scotland	1,221	-

a) Interest rate risk

The Company has floating rate financial assets in the form of deposit accounts with major banking institutions; however, it is not currently subjected to any other interest rate risk.

Based on cash balances as above as at the statement of financial position date, a rise in interest rates of 1% would not have a material impact on the profit and loss of the Company and such is not disclosed.

In relation to sensitivity analysis, there was no material difference to disclosures made on financial assets and liabilities.

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. The principle liquidity risk facing the business is the risk of going concern which has been discussed in Note 2 (b).

c) Credit risk

The Company had receivables of £1,680 at 31 December 2016. Company receivables of £1,680 at the year end were not past due, and the Directors consider there to be no credit risk arising from these receivables.

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.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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 statements.

Notes to the Financial Statements (continued)

14. Staff Costs

During the year to 31 December 2016 there were no staff costs as no staff were employed by the Company other than the directors. Therefore, the average staff number for the year was 3 in administration, this includes the Directors.

15. Ultimate Controlling Party

The Directors have determined that there is no controlling party as no individual shareholder holds a controlling interest in the Company.

16. Copies of the Annual Report

Copies of the annual report will be available on the Company's website at www.silverfalconplc.com and from the Company's registered office, 5 Fleet Place London EC4M 7RD.