

ALPHA GROWTH PLC

Consolidated Interim report for period ended

28 February 2019

CHAIRMAN'S STATEMENT
PERIOD ENDED 28 FEBRUARY 2019

I am pleased to announce our results for the interim period to 28 February 2019.

Highlights:

- Approval by the BVI FSC of the acquisition of Alpha Longevity Management Limited ("ALM")
- Acquisition of Colva Insurance Services ("Colva") to increase valuation and actuarial resource as we ramp up
- Appointment of Rajiv Rabello as Chief Actuary and Jason Sutherland as Non-Executive Director
- The joint venture with SL for the soon to be launched fund

Along with the above, the Group really is well positioned now to get some serious traction in 2019. With the launch of the recently announced Fund and the other engagements we have at various stages of completion; the Board and I are very excited about our prospects for the remainder of 2019 and beyond. We have taken a number of large steps in the last six months and we hope to be announcing further developments over the coming months.

I would like to take this opportunity to thank the shareholders for their continued support and work with us to build a Group for the long term

Gobind Sahney

Chairman

29 April 2019

RESULTS FOR THE PERIOD

INTERIM PERIOD ENDED 28 FEBRUARY 2019

The results of the Group have been addressed above in the Chairman's statement. The loss for the interim period was £301,462 and the Group's net assets as at 28 February 2019 were £133,218.

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

- (a) the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';
- (b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year; and
- (c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

CAUTIONARY STATEMENT

This Interim Management Report (IMR) has been prepared solely to provide additional information to shareholders to assess the Company's strategies and the potential for those strategies to succeed. The IMR should not be relied on by any other party or for any other purpose.

GOING CONCERN

The Directors have a reasonable expectation that the Group has adequate resources to continue in operation or existence for the foreseeable future thus we continue to adopt the going concern basis in preparing these interim financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties affecting the business activities of the Group remain those detailed in the Annual Report and Accounts 2018, a copy of which is available on the Company website at www.algwplc.com. The Board considers that these remain a current reflection of the risks and uncertainties facing the business for the remaining six months of the financial year.

Rory Heier
Director

29 April 2019

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

INTERIM PERIOD ENDED 28 FEBRUARY 2019

	Notes	GROUP (Unaudited) Period Ended 28.2.2019 £	COMPANY (Unaudited) Period Ended 28.2.2018 £	COMPANY (Audited) Year Ended 31.8.2018 £
Continuing operations				
Operating expenses		(300,869)	(197,099)	(479,995)
Operating loss		(300,869)	(197,099)	(479,995)
Interest expense		(593)	(126)	(1,712)
Loss before tax		(301,462)	(197,225)	(481,707)
Tax		-	-	-
Loss for the year		(301,462)	(197,225)	(481,707)
Earnings per share attributable to owners of the parent company				
Basic and diluted (pence per share)	3	(0.03p)	(0.03p)	(0.05p)

The Group has no items of other comprehensive income.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2019

	Note	GROUP (Unaudited) As at 28.2.2019 £	COMPANY (Unaudited) As at 28.2.2018 £	COMPANY (Audited) As at 31.8.2018 £
Current assets				
Goodwill	5	9,062	-	-
Trade and other receivables		18,701	14,223	32,653
Cash and cash equivalents		133,455	352,575	107,083
		161,218	366,798	139,736
Current liabilities				
Trade and other payables		28,000	606	58,056
		28,000	606	58,056
Net assets		133,218	366,192	81,680
EQUITY				
Equity attributable to owners of the parent				
Share capital	4	126,635	106,335	106,335
Share premium	4	894,598	561,898	561,898
Retained earnings		(888,015)	(302,041)	(586,553)
Total equity		133,218	366,192	11,824

Company number: 09734404

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

INTERIM PERIOD ENDED 28 FEBRUARY 2019

	Share capital	Share premium	Retained earnings	Total
AS AT 31 AUGUST 2017	50,085	60,915	(104,846)	6,154
Share based payments	1,250	13,750	-	15,000
Shares issued during the year	55,000	487,233	-	542,233
Total comprehensive loss for the year	-	-	(481,707)	(481,707)
AS AT 31 AUGUST 2018	106,335	561,898	(586,553)	81,680
Share based payments	300	5,700	-	6,000
Shares issued during the year	20,000	327,000	-	347,000
Total comprehensive loss for the year			(301,462)	(301,462)
AS AT 28 FEBRUARY 2019	126,635	894,598	(888,015)	133,218

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CONSOLIDATED STATEMENT OF CASH FLOWS

INTERIM PERIOD ENDED 28 FEBRUARY 2019

	GROUP (Unaudited) Period Ended 28.2.2019 £	COMPANY (Unaudited) Period Ended 28.2.2018 £	COMPANY (Audited) Year Ended 31.8.2018 £
OPERATING ACTIVITIES			
Loss for the period before taxation	(301,462)	(197,225)	(481,707)
Adjusted for:			
Share based payments	6,000	15,000	15,000
Finance income	-	-	-
Operating cash outflows before movements in working capital:	(295,462)	(182,225)	(466,707)
(Increase) in trade and other receivables	13,952	(3,766)	(20,225)
(Decrease)/Increase in trade and other payables	(30,056)	(5,394)	52,056
Net cash used in operations	(311,566)	(191,385)	(436,876)
Tax paid	-	-	-
Net cash (used in) operating activities	(311,566)	(191,415)	(436,876)
INVESTING ACTIVITIES			
Investment in subsidiary	(9,062)	-	-
Net cash from investing activities	(9,062)	7	24
FINANCING ACTIVITIES			
Net proceeds from share issues	347,000	542,233	542,233
Net cash from financing activities	347,000	542,233	542,233
Net increase in cash and cash equivalents	26,372	350,848	105,357
Cash and cash equivalents at beginning of period	107,083	1,726	1,726
Cash and cash equivalents at end of period	133,455	1,726	107,083

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NOTES TO THE FINANCIAL STATEMENTS

INTERIM RESULTS TO 28 FEBRUARY 2019

1. ORGANISATION AND TRADING ACTIVITIES

The Company is incorporated and domiciled in England and Wales as a public limited company and operates from its registered office 35 Berkeley Square, Mayfair London, United Kingdom W1J 5BF

The principal activity of the Group is the provision of advice and consultancy services to institutional investors and existing and prospective holders of Senior Life Settlements. The Company will also provide advice on acquisition and disposal strategies, performance monitoring, and analytical services to the client and potential institutional buyers and sellers of such assets.

Following the approval of the acquisition of ALM by the BVI FSC the results for this interim period include the results of Alpha Longevity Management Limited ("ALM"). As such these financial statements are consolidated including both Alpha Growth and its 100% subsidiary ALM.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted and applied in the preparation of these interim Group Financial statements are set out below.

These have been consistently applied to all the periods presented unless otherwise stated. Note the comparative periods relate to the Company on a standalone basis:

BASIS OF ACCOUNTING

These interim financial statements of Alpha Growth plc (the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRS") applied in accordance with the provisions of the Companies Act 2006. IFRS comprises standards issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") as adopted for use in the European Union ("EU").

The interim financial statements have been prepared under the historical cost convention on the basis of the accounting policies as set out in the Group's audited annual financial statements and are presented in GBP £ the presentational and functional currency of the Group.

This announcement was approved and authorised by the Board of directors on 18 April 2019. Copies of this interim report can be found on the Company's website at www.algwplc.com.

These condensed interim financial statements for the six months ended 28 February 2019 are unaudited and do not constitute fully prepared statutory accounts. The comparative figures are for the Company for the year ended 31 August 2018 and the six month period to 28 February 2018. The comparative figures for the Company for the year ended 31 August 2018 are extracted from the 2018 audited financial statements. The independent auditor's report on the 2018 financial statements were not qualified.

The Group have considered the impact the effect that the adoption of IFRS 9 and IFRS 15 are to have on the financial statements and based on the position of the Company at the end of the interim period they do not consider that there will be a material impact.

GOING CONCERN

Any consideration of the foreseeable future involves making a judgement, at a particular point in time, about future events which are inherently uncertain. The ability of the Group to carry out its planned business objectives is dependent on its continuing ability to raise adequate financing from equity investors and/or the achievement of profitable operations.

The Directors have a reasonable expectation that the Group will be able to achieve the above in order to meet any future obligations and thus to continue operating for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Financial Statements.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

INTERIM RESULTS TO 28 FEBRUARY 2019

3. EARNINGS PER SHARE

The basic earnings per share is based on the loss for the period divided by the weighted average number of shares in issue during the year. The weighted average number of ordinary shares for the Company the period ended 28 February 2019 assumes that all shares have been included in the computation based on the weighted average number of days since issue.

	28.2.2019	28.2.2018	31.8.2018
<u>Loss attributable to owners of the Group:</u>	<u>301,462</u>	197,225	481,707
Weighted average number of ordinary shares in issue for basic and fully diluted earnings*	120,303,978	72,149,917	89,557,603
LOSS PER SHARE (PENCE PER SHARE)	0.03	0.03	0.05
<u>BASIC AND FULLY DILUTED*:</u>			
- from continuing and total operations (pence)	<u>0.03</u>	0.03	0.05

*Since the Group has incurred losses in all periods and there are no options or warrants outstanding at any point during the financial period, the basic loss and the diluted loss per share are the same.

4. SHARE CAPITAL AND SHARE PREMIUM

	Ordinary shares of £0.001 each Number	Ordinary shares of £1 Number	Share capital £	Share premium £
On incorporation on 15 August 2015 the company issued 2 Ordinary shares of £1 each, at par		2	2	-
On 1 September 2015 the Company subdivided its existing ordinary shares from £1 each to £0.001	2,000	(2)	-	-
On 18 September 2015 the Company issued 998,000 ordinary shares of £0.001 each	998,000	-	998	-
On 18 September 2015 the Company issued 1,100,000 ordinary shares of £0.001 each at a price of 10p per share,	1,100,000	-	1,100	108,900
On 19 November 2015 47,985,000 ordinary shares of £0.001 each were allotted as part of a bonus issue on a par basis.	47,985,000	-	47,985	(47,985)
On 17 December 2017 the Company issued 1,250,000 ordinary shares of £0.001 each at a price of 1.2p per share in settlement of professional fees	1,250,000	-	1,250	13,750
On 17 December 2017 the Company issued 55,000,000 ordinary shares of £0.001 each at a price of 1p per share	55,000,000	-	55,000	487,233
At 31 August 2018	106,335,000	-	106,335	561,898

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

INTERIM RESULTS TO 28 FEBRUARY 2019

4. SHARE CAPITAL AND SHARE PREMIUM (CONTINUED)

	Ordinary shares of £0.001 each Number	Ordinary shares of £1 Number	Share capital £	Share premium £
On 17 September 2018 the Company issued 20,000,000 ordinary shares of £0.001 each at a price of 2p per share as part of a placing	20,000,000	-	20,000	327,000
On 20 February 2019 the Company issued 300,000 ordinary shares of £0.001 each at a price of 2p per share for the settlement of historic invoices	300,000	-	300	5,700
At 28 February 2019	126,635,000	-	126,635	894,598

5. GOODWILL

On 18 July 2018 the Company acquired the entire share capital of Alpha Longevity Management Limited ("ALM"), a corporation that is incorporated in the British Virgin Islands (#1832422) and holds an investment business license issued by the BVI Financial Services Commission, which allows the company to arrange, advise and management investments to qualified investors. Total consideration for the acquisition of ALM was £1.

Details of the purchase consideration of the net assets acquired and goodwill are detailed below. The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value £
Accounts Payable	(9,061)
Net Identifiable liabilities acquired	(9,061)
Add: Goodwill	9,062
Net assets acquired	<u>1</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

INTERIM RESULTS TO 28 FEBRUARY 2019

6. EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 1 March 2019 the Company acquired the entire share capital of Colva Insurance Services, an S Corporation company incorporated in California, USA #3404971 with the majority shareholder being Rajiv Rebello, for a total consideration of £77,727 which shall be settled through the issue of 3,985,985 new ordinary shares of 0.1 pence each in the Company at an issue price of 1.95p per share, being the closing price of the Company's shares on the day heads of terms were agreed.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value
	£
Cash	260
Plant and equipment	6,287
Accounts Receivable	5,801
Accounts Payable	(9,422)
Net Identifiable assets acquired	2,926
Add: Goodwill	74,801
Net assets acquired	<u>77,727</u>