

**ALPHA GROWTH PLC**

**Interim report for period ended**

**31 August 2021**

**CHAIRMAN'S STATEMENT  
PERIOD ENDED 31 AUGUST 2021**

I am pleased to announce our results for the interim period to 31 August 2021. Following the acquisition of Providence Life Assurance Company the year end was changed to 31 December so as to coincide with the year end of all our subsidiaries. Accordingly the next set of audited financial statements will cover the sixteen month period to 31 December 2021 and be issued sometime before 30 April 2022.

The Company continues to execute on its goal to build assets under management and generate fee revenue. The highlights for 2021 so far have been the significant increase in AUM of the BlackOak Alpha Growth Funds and our acquisition of Providence Life Assurance Company (Bermuda) Ltd through the purchase of Northstar Group (Bermuda) Limited which has led to a significant increase in the size of the balance sheet.

As countries begin to emerge from Covid 19 restrictions, we do not see an immediate return to pre-covid business practices surrounding meetings, travel, and counterpart corporate policies. However, with the continued combination of low interest rates and volatility within the equity markets, the Company is very confident that its strategies are well placed to ensure continued growth.

I would like to take this opportunity to thank our shareholders for their continued support as we work to build a significant company within the financial services sector.

Gobind Sahney

**Chairman**

27 October 2021

## **RESULTS FOR THE PERIOD**

### **INTERIM PERIOD ENDED 31 AUGUST 2021**

The results of the Group have been addressed above in the Chairman's statement. The loss for the interim period was £494,898 ( 2020 (audited): £567,200) and the Group's unaudited net assets as at 31 August 2021 were £3,788,926 (2020 (audited); £196,732).

### **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. As detailed in the Chairman's statement the Impact of COVID-19 has led to some delays in the expected timing of transactions that the Company plans to be involved in and generate fees from, but has led to a greater interest in SLS assets and therefore should benefit the Group in the longer term.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties affecting the business activities of the Group remain those detailed in the Prospectus date 3 September 2020, a copy of which is available on the Company website at [www.algwplc.com](http://www.algwplc.com). The Board considers that these remain a current reflection of the risks and uncertainties facing the business for the remaining four months of the financial year.

Gobind Sahney  
**Director**

27 October 2021

ALPHA GROWTH PLC

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

INTERIM PERIOD ENDED 31 AUGUST 2021

	Notes	(Unaudited) Year Ended 31.8.2021 £	(Unaudited) Period Ended 28.2.2021 £	(Audited) Year Ended 31.8.2020 £
<b>Continuing operations</b>				
Turnover		672,004	90,264	81,592
Cost of sales		<u>(174,272)</u>	<u>(76,985)</u>	<u>(81,592)</u>
<b>Gross Profit</b>		<b>497,732</b>	13,369	-
Operating expenses		<b>(960,730)</b>	(237,286)	(567,200)
<b>Operating Loss</b>		<b>(462,998)</b>	(223,917)	(567,200)
Investment income		3,973	-	-
<b>Loss before tax</b>		<b>(459,025)</b>	(223,917)	(567,200)
Tax		<b>(35,873)</b>	-	-
<b>Loss for the period</b>		<b>(494,898)</b>	(223,917)	(567,200)
<b>Loss per share attributable to owners of the parent company</b>				
<b>Basic and diluted (pence per share)</b>	<b>3</b>	<b>(0.15p)</b>	(0.1p)	(0.3p)

The Group has no items of other comprehensive income.

## ALPHA GROWTH PLC

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2021

		(Unaudited) As at 31.8.2021 £	(Unaudited) As at 29.2.2021 £	(Audited) As at 31.8.2020 £
<b>Fixed assets</b>				
Intangible assets	5	1,024,581	-	-
<b>Current assets</b>				
Total assets in insurance business		208,484,446	-	-
Trade and other receivables		155,392	265,947	245,125
Cash and cash equivalents		510,322	142,368	43,620
		209,150,160	408,315	288,745
<b>Current liabilities</b>				
Total liabilities in insurance business		206,355,490	-	-
Trade and other payables		30,325	6,500	92,013
		206,385,815	6,500	92,013
<b>Net current assets</b>		2,764,345	401,815	196,732
<b>Net assets</b>		3,788,926	401,815	196,732
<b>EQUITY</b>				
<b>Equity attributable to owners of the parent</b>				
Share capital	4	431,887	240,816	205,102
Share premium	4	5,543,603	2,183,030	1,789,744
Retained earnings		(2,293,012)	(2,022,031)	(1,798,114)
Minority interest		106,448	-	-
<b>Total equity</b>		3,788,926	401,815	196,732

Company number: 09734404

ALPHA GROWTH PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

INTERIM PERIOD ENDED 31 AUGUST 2021

	Share capital	Share premium	Share based payment reserve	Retained earnings	Minority Interest	Total
<b>AS AT 31 AUGUST 2019</b>	<b>158,702</b>	<b>1,228,641</b>	<b>20,640</b>	<b>(1,230,914)</b>	<b>-</b>	<b>177,069</b>
Share based payments	5,826	75,674	-	-	-	81,500
Shares issued during the year	40,574	511,087	(20,640)	-	-	551,661
Share issue costs	-	(25,658)	-	-	-	(25,658)
Total comprehensive loss for the year	-	-	-	(567,200)	-	(567,200)
<b>AS AT 31 AUGUST 2020</b>	<b>205,102</b>	<b>1,789,744</b>	<b>-</b>	<b>(1,798,114)</b>	<b>-</b>	<b>196,732</b>
Shares issued during the period	35,714	464,286	-	-	-	500,000
Share issue costs	-	(71,000)	-	-	-	(71,000)
Total comprehensive loss for the period	-	-	-	(223,917)	-	(223,917)
<b>AS AT 28 FEBRUARY 2021</b>	<b>240,816</b>	<b>2,183,030</b>	<b>-</b>	<b>(2,022,031)</b>	<b>-</b>	<b>401,815</b>
Shares issued during the period	191,071	3,608,928	-	-	-	3,799,999
Share issue costs	-	(248,355)	-	-	-	(248,355)
Minority interest arising on acquisition	-	-	-	-	101,529	101,529
Total comprehensive (loss)/profit for the period	-	-	-	(270,981)	4,919	(266,062)
<b>AS AT 31 AUGUST 2021</b>	<b>431,887</b>	<b>5,543,603</b>	<b>-</b>	<b>(2,293,012)</b>	<b>106,448</b>	<b>3,788,926</b>

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CONSOLIDATED STATEMENT OF CASH FLOWS

INTERIM PERIOD ENDED 31 AUGUST 2021

	(Unaudited) Year Ended 31.8.2021 £	(Unaudited) Period Ended 29.2.2021 £	(Audited) Year Ended 31.8.2020 £
<b>OPERATING ACTIVITIES</b>			
Loss for the period before taxation	(459,025)	(223,917)	(567,200)
Adjusted for:			
Share based payments	-	-	81,500
Operating cash outflows before movements in working capital:	(459,025)	(223,917)	(485,700)
Decrease/(increase) in trade and other receivables	89,733	(20,822)	(1,639)
Decrease in trade and other payables	(61,688)	(85,513)	(148,345)
Net increase in assets less liabilities in insurance business	(131,513)	-	-
Net cash used in operating activities	(562,493)	(330,252)	(635,684)
<b>FINANCING ACTIVITIES</b>			
Net proceeds from share issues	3,980,644	429,000	505,363
Net cash inflow from financing activities	3,980,644	429,000	505,363
<b>INVESTING ACTIVITIES</b>			
Investment in subsidiary	(2,951,449)	-	-
Net cash outflow from investing activities	(2,951,449)	-	-
Net increase/(decrease) in cash and cash equivalents	466,702	98,748	(130,321)
Cash and cash equivalents at beginning of period	43,620	43,620	173,941
Cash and cash equivalents at end of period	510,322	142,368	43,620

# ALPHA GROWTH PLC

## NOTES TO THE FINANCIAL STATEMENTS

INTERIM RESULTS TO 31 AUGUST 2021

### 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.

### 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:

#### BASIS OF ACCOUNTING

These interim financial statements of Alpha Growth plc (the "Group") have been prepared in accordance with UK adopted international accounting standards ("UK-adopted IAS") applied in accordance with the provisions of the Companies Act 2006.

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. The Group has applied IAS 34 in the preparation of these interim financial statements.

This announcement was approved and authorised by the Board of directors on 27 October 2021. Copies of this interim report can be found on the Company's website at [www.algwplc.com](http://www.algwplc.com).

These condensed interim financial statements for the twelve months ended 31 August 2021 are unaudited and do not constitute fully prepared statutory accounts. The comparative figures for the year ended 31 August 2020 are extracted from the 2020 audited financial statements. The independent auditor's report on the 2020 financial statements was not qualified.

#### 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. As detailed in the Chairman's statement the Impact of COVID-19 has led to some delays in the expected timing of transactions that the Company plans to be involved in and generate fees from but has led to a greater interest in SLS assets and therefore should benefit the Group in the longer term.



### 3. LOSS 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 31 August 2021 assumes that all shares have been included in the computation based on the weighted average number of days since issue. Since the Group has made a loss in the current and each of the prior periods, the warrants in issue are not dilutive.

	<b>31.8.2021</b>	28.2.2021	31.8.2020
<u>Loss attributable to owners of the Group:</u>	<b>494,898</b>	223,917	567,200
Weighted average number of ordinary shares in issue for basic earnings	<b>327,518,502</b>	240,981,960	190,901,671
Weighted average number of shares in issue for fully diluted earnings	<b>327,518,502</b>	240,981,060	190,901,671
LOSS PER SHARE (PENNY PER SHARE)	<b>0.15</b>	0.1	0.3
BASIC AND FULLY DILUTED:			
- from continuing and total operations (pence)	<b>0.15</b>	0.1	0.3

### 4. SHARE CAPITAL AND SHARE PREMIUM

	Ordinary shares of £0.001 each Number	Shares capital £	Share premium £
<u>At 31 August 2020</u>	<b>205,101,673</b>	<b>205,102</b>	<b>1,789,744</b>
On 7 September 2020 the Company issued 35,714,286 ordinary shares of £0,001 each at a price of 1.4p per share under a placing	35,714,286	35,714	393,286
<u>At 28 February 2021</u>	<b>240,815,959</b>	<b>240,816</b>	<b>2,183,030</b>
On 15 March 2021 the Company issued 187,500,000 ordinary shares of £0,001 each at a price of 2.0p per share as part of a placing	187,500,000	187,500	3,314,145
On 17 May 2021 the Company issued 3,571,429 ordinary shares of £0,001 each at a price of 1.4p per share following a warrant exercise	3,571,429	3,571	46,428
<u>AT 31 AUGUST 2021</u>	<b>431,887,388</b>	<b>431,887</b>	<b>5,543,603</b>

## 5. BUSINESS COMBINATIONS

On 23 March 2021, the Company acquired 95% of Northstar Group (Bermuda) Ltd and its wholly owned, Bermuda regulated, life assurance subsidiary called Providence Life Assurance Company Limited. This acquisition was made at an acquisition price of USD 3,992,550 was financed through the issue of 187.5 million Ordinary shares at an issue price of 2p per share in a placing. This is a transformative deal for Alpha Growth and represents a significant building block in the company's continued evolution. The deal adds substantial assets under management to the group and is earnings accretive.

The assets acquired have been restated within the measurement period, in accordance with IFRS3

	Amount recognised on acquisition
Total assets in insurance business	208,037,076
Total liabilities in insurance business	(206,008,681)
Minority interest	(101,527)
Identifiable assets less liabilities	1,926,868
Goodwill	1,024,581
Consideration	2,951,449
Satisfied by:	
Cash	2,951,449