

ALPHA GROWTH PLC

Interim report for period ended

28 February 2021

CHAIRMAN'S STATEMENT
PERIOD ENDED 28 FEBRUARY 2021

I am pleased to announce our results for the interim period to 28 February 2021. As I write this note to the financial statements, we are continuing to deal with the Covid19 pandemic but despite the headwinds caused by the pandemic, the Company continues to make excellent progress towards its goals.

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.

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 since the pandemic. However, the continued combination of low interest rates and volatility in the equity markets, the Company is very confident that its strategies are well placed for the Company's continued growth.

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

Gobind Sahney

Chairman

28 May 2021

RESULTS FOR THE PERIOD

INTERIM PERIOD ENDED 28 FEBRUARY 2021

The results of the Group have been addressed above in the Chairman's statement. The loss for the interim period was £223,917 (2020: £306,481) and the Group's net assets as at 28 February 2021 were £401,815 (2020; £414,650).

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 Annual Report and Accounts 2020, 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.

Gobind Sahney
Director

28 May 2021

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

INTERIM PERIOD ENDED 28 FEBRUARY 2021

	Notes	(Unaudited) Period Ended 28.2.2021 £	(Unaudited) Period Ended 29.2.2020 £	(Audited) Year Ended 31.8.2020 £
Continuing operations				
Turnover		90,264	-	81,592
Cost of sales		<u>(76,895)</u>	-	<u>(81,592)</u>
Gross Profit		13,369	-	-
Operating expenses		(237,286)	(306,481)	(567,200)
Loss before tax		(223,917)	(306,481)	(567,200)
Tax		-	-	-
Loss for the period		(223,917)	(306,481)	(567,200)
Earnings per share attributable to owners of the parent company				
Basic and diluted (pence per share)	3	(0.1p)	(0.2p)	(0.3p)

The Group has no items of other comprehensive income.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2021

		(Unaudited) As at 28.2.2021 £	(Unaudited) As at 29.2.2020 £	(Audited) As at 31.8.2020 £
	Note			
Current assets				
Trade and other receivables		265,947	142,792	245,125
Cash and cash equivalents		142,368	274,858	43,620
		408,315	417,650	288,745
Current liabilities				
Trade and other payables		6,500	3,000	92,013
		401,815	3,000	196,732
Net assets		401,815	414,650	196,732
EQUITY				
Equity attributable to owners of the parent				
Share capital	4	240,816	201,635	205,102
Share premium	4	2,183,030	1,750,410	1,789,744
Retained earnings		(2,022,031)	(1,537,395)	(1,798,114)
Total equity		401,815	414,650	196,732

Company number: 09734404

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

INTERIM PERIOD ENDED 28 FEBRUARY 2021

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total
AS AT 31 AUGUST 2019	158,702	1,228,641	20,640	(1,230,914)	177,069
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)
AS AT 31 AUGUST 2020	205,102	1,789,744	-	(1,798,114)	196,732
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)
AS AT 28 FEBRUARY 2021	240,816	2,183,030	-	(2,022,031)	401,815

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CONSOLIDATED STATEMENT OF CASH FLOWS

INTERIM PERIOD ENDED 28 FEBRUARY 2021

	(Unaudited) Period Ended 28.2.2021 £	(Unaudited) Period Ended 29.2.2020 £	(Audited) Year Ended 31.8.2020 £
OPERATING ACTIVITIES			
Loss for the period before taxation	(223,917)	(306,481)	(567,200)
Adjusted for:			
Share based payments	-	4,500	81,500
Operating cash outflows before movements in working capital:	(223,917)	(301,981)	(485,700)
(Increase)/decrease in trade and other receivables	(20,822)	100,694	(1,639)
Decrease in trade and other payables	(85,513)	(237,358)	(148,345)
Net cash used in operating activities	(330,252)	(438,645)	(635,684)
FINANCING ACTIVITIES			
Net proceeds from share issues	429,000	539,562	505,363
Net cash from financing activities	429,000	539,562	505,363
Net increase/(decrease) in cash and cash equivalents	98,748	100,917	(130,321)
Cash and cash equivalents at beginning of period	43,620	173,941	173,941
Cash and cash equivalents at end of period	142,368	274,858	43,620

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NOTES TO THE FINANCIAL STATEMENTS

INTERIM RESULTS TO 28 FEBRUARY 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 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. 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 xx April 2021. 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 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. 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 2021 assumes that all shares have been included in the computation based on the weighted average number of days since issue.

	28.2.2021	28.2.2020	31.8.2020
Loss attributable to owners of the Group:	223,917	306,481	567,200
Weighted average number of ordinary shares in issue for basic and fully diluted earnings*	240,815,960	180,168,336	190,901,671
LOSS PER SHARE (PENNY PER SHARE)	0.1	0.2	0.3
BASIC AND FULLY DILUTED*:			
- from continuing and total operations (pence)	0.1	0.2	0.3

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

4. SHARE CAPITAL, SHARE PREMIUM AND SHARE BASED PAYMENT RESERVE

	Ordinary shares of £0.001 each Number	Shares capital £	Share premium £	SBP reserve £
At 31 August 2019	158,701,666	158,702	1,228,641	(20,640)
On 29 November 2019 the Company issued 2,360,000 ordinary shares of £0.001 each at a price of 1.25p to settle debts	2,360,000	2,360	27,140	-
On 6 December 2019 the Company exercised warrants over 9,166,650 ordinary shares of £0.001 each at an average price of 1.4p per share	9,166,650	9,166	140,223	(20,640)
On 18 December 2019 the Company issued 9,406,690 ordinary shares of £0.001 each at a price of 1.75p per share	9,406,690	9,407	142,864	-
On 28 May 2020 the Company issued 3,466,667 ordinary shares of £0.001 each at a price of 1.5p per share in settlement of directors fees and other share based payments	3,466,667	3,467	48,533	-
At 31 August 2020	205,101,673	205,102	1,789,744	-
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	-
At 29 February 2021	240,815,959	240,816	2,183,030	-

5. EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 23 March 2021, the Company announced it had acquired 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.

The acquisition is expected to result in a substantial increase in revenue generating opportunities for the Group.